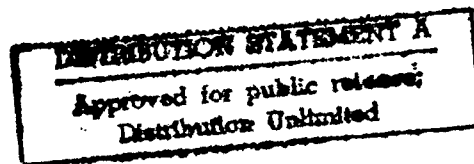


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26 September 1985

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AUSTRALIA

BUSINESS CRITICIZES GOVERNMENT WAGE POLICY

HK041534 Hong Kong AFP in English 1341 GMT 4 Sep 85

[Text] Canberra, 4 Sep (AFP)--The Australian Government faced strong business criticism today after a controversial agreement with the Australian Council of Trade Unions (ACUT) on agreement for indexing the national wage during the current half year.

The terms were announced today by the Treasurer Paul Keating and the employment and industrial relations minister Ralph Willis. They said the government would not seek to have the half year adjustment to be made to the wage this month reduced to take account of the inflationary effects of devaluation.

Inflation in Australia as measured by the consumer price index was 3.8 per cent in the first six months of 1985. Of this, almost a third, 1.2 per cent, was attributable to the inflationary effects of a 20 per cent fall in the value of the Australian dollar.

In his budget speech last month Mr Keating stressed the importance of isolating these inflationary effects and preventing them from becoming part of the economic cost structure. "Our competitive edge would be lost," he said. "We must modify our normal support for full wage indexation."

However, today he said the government would support a full flow through into the national wage of 3.8 per cent. But he agreed with the Australian Council of Trade Unions that the national wage be discounted by two per cent in April next year, when it is once again due to be increased under the indexation arrangements.

This would cover the inflationary effects of dollar devaluation over two half year periods, totalling between about two and a half per cent, Mr Keating said.

The Australian Chamber of Commerce said the decision was a backdown which amounted to a breach of faith with the business community. The chamber said that Prime Minister Bob Hawke had given a complete and unequivocal

commitment to full discounting for the inflationary effects of dollar devaluation.

The deputy opposition leader John Howard said the government had significantly underestimated the inflationary effects of the fall in the value of the dollar during the first part of the year and there was no reason to think it would not do so again.

CSO: 4200/1501

AUSTRALIA

PAPER CRITICIZES UNIONS' 'RESTRICTIVE PRACTICES'

BK051148 Sydney THE AUSTRALIAN in English 22 Aug 85 p 12

[Editorial: "Unions Risking Fate of the Dinosaur"]

[Text] The Australian trade unions belong to one of the oldest continuously existing labour movements anywhere in the world. They exercise a greater influence and have a more assured status than all but a few equivalent organizations in other countries.

But it is doubtful whether at any time since the defeated general strike of 1891 have the Australian unions faced a more testing challenge than they do at present. Their role is now being criticized and questioned neither solely nor even especially by their traditional opponents, the employers, but by a broad spectrum of the population and not least by many Australians who could be fairly described as "working class".

The trade unions are under attack on two fronts. The first relates to the day-to-day experience of the average citizen and arises from a strongly held perception that in pursuit of narrow and often trivial ends unions are only too ready to treat the rights of other people with arrogant disdain.

While it would be only a minority of unionists which offends in this way, there is a growing feeling throughout Australia that contemporary trade unionism has become by its very nature antagonistic to efforts to conduct our society in a rational manner and an obstacle to our national progress.

Even if the economic and social policies followed by the unions were impeccable, the performance given last Saturday night at the Sydney Opera House by the members of several unions, which although conspicuously grotesque was sadly not atypical, was of a kind to lose the good will of people who would normally be affronted by an accusation of "union-bashing."

But what is most alarming of all in that otherwise ridiculous melodrama is that none of the governing bodies of the unions concerned--some of which are generally regarded as "moderate"--has either condemned or dissociated themselves from their members' tactics. Their silence signifies assent and equally signifies the degree to which such methods have become acceptable in the labour movement--to the disgrace and to the danger of our democracy.

Last Friday THE AUSTRALIAN published a letter from the managing director of a building company. His subject was principally the conduct of the Builders Labourers Federation (BLF), but the examples cited by him showed that without the cooperation of other unions the destructive tactics of the BLF would not have met with the success which they so long enjoyed.

Ultimately the BLF became too much for even the most militant of its fellow unions. But the disappearance of the BLF and an end to repetitions of the night at the opera would only partly reassure most Australians about the future of the unions.

It is not so much their strictly industrial role which is being called into question but the part played by the unions in determining our economic and social policies.

Unlike American unions, which have largely confined themselves to the interests of their members as employees and have accepted the permanence of the capitalist system, the Australian labour movement has involved itself organisationally in politics. And unlike even the most politically inclined unionists in most other parts of the world it is directly involved in a political party--the Australian Labor Party, which it founded and to which most of its component unions are affiliated.

Over the decades the Australian unions have become an alternative centre of power to the elected governments and parliaments. And their exercise of that power can bring to nothing the most worthwhile plans of any but the most determined governments. It can determine whether business enterprises prosper or go bankrupt. It can decide the way in which union members work and the agreements on terms and conditions which they make with their employers.

By restrictive practices and economically unjustified wage demands, achieved within the framework of an indefensible system of centralised wage-fixing, Australian unions have played the major part in making Australian manufacturing industry uncompetitive. And when importers try to satisfy the needs of Australian consumers by bringing in cheaper and, too often, better made manufactured goods, our unions use their muscle to keep the imports out, as was recently instanced by the Plumbers' Union's demand that only Australian-made lavatory seats should be installed in Australian dwellings.

When the meat workers at Mudginberri agree with their employer to new terms of work which will not only produce more exports and more profits but will also raise the workers' wages, the combined labour movement throws its full weight against them.

When a Federal Labor government, which might expect their loyalty, brings down a budget directed at beating inflation and unemployment, it is the unions which could emerge as the budget's most likely nemesis by their insistence that the benefits of the dollar's depreciation should be thrown away by a quasi-religious devotion to full wage indexation.

And, when the Queensland Government announces legislation which would authorise agreements on the Mudginberri model, the full wrath of trade union officialdom is turned upon it. In their opposition to the right of workers on the job to opt out of the centralised system by a local ballot the union leaders have again shown their authoritarianism. By their reluctance to submit to the proposed Queensland ballots, in which more than 60 per cent of the employees would be needed to change the system, they have shown a probably justifiable lack of confidence that 40 per cent of their members would support them.

Many of the national trade union leaders are intelligent as well as dedicated. They ought to be able to recognise the crisis facing their organisation and to realise that the trade unions show signs of joining the dinosaur.

It will not be easy to change the habits of decades. But unless a start is soon made to rethinking the role of organised labour in this country they could find that the example of Mudginberri will start a movement which will sweep them out of the positions of privilege they have held for so long.

CSO: 4200/1501

AUSTRALIA

BRIEFS

HOWARD TAKE-OVER ANALYZED--Canberra, 5 Sep (AFP)--Opposition Liberal Party leader Andrew Peacock was ousted today by his deputy leader, John Howard, in a stunning upset after a vote by Liberal members of parliament. Mr Howard is expected to bring new unity to the Liberal-National coalition and to provide a more forceful and effective opposition to the ruling Labor government of Prime Minister Bob Hawke, analysts said. At a press conference following his election, Mr Howard said that Mr Peacock had indicated his willingness to serve as a shadow minister under the new leader but needed a few days to think about his position. Mr Howard, a former treasurer (finance minister), represents the right-wing of the Liberal Party and is the leading opposition expert on economic and financial affairs. He has been an outspoken critic of the Hawke government's economic policies and of the accord with the trade unions under which wages are indexed to increase twice-yearly in line with the rate of inflation. [Article by David Davies] [Excerpts] [Hong Kong AFP in English 0626 GMT 5 Sep 85 HK]

CSO: 4200/1501

BURMA

BRIEFS

BORDER MEETING IN BEIJING--A Burmese delegation headed by U Sein Lwin, director general of the Survey Department, left for Beijing by a CAAC [Civil Aviation Administration of China] aircraft this afternoon to attend the third session of the Burma-China Joint Border Inspection Committee. The delegation was seen off at Rangoon Airport by U Thein Han, director general of the Foreign Ministry's Political Department; Mr Zhou Mingji, PRC ambassador to Burma; and responsible officials of the Survey Department and the Chinese Embassy. Members of the delegation are U Win Lwin, deputy director of the Foreign Ministry's Boundary Division; U Maung Maung, deputy director of the Survey Department; U Tun Myint, U Khin Maung Aye, and U Thein Aung, divisional heads of the Survey Department, U (William Han Lwin), assistant director of the Foreign Ministry's International Law and Treaties Department; and U Ba Cho, assistant director of the Foreign Ministry's Boundary Division. [Text] [Rangoon Domestic Service in Burmese 1330 GMT 4 Sep 85 BK]

SRV EDUCATION DELEGATION--A 4-member education delegation from the Socialist Republic of Vietnam led by Nguyen Minh Quan, director of the Ministry of Education, arrived in Rangoon by air this afternoon to study education in Burma. The SRB education delegation was welcomed at the Rangoon Airport by responsible officials from the Ministry of Education, the Ministry of Foreign Affairs, and the Vietnamese Embassy. [Text] [Rangoon Domestic Service in Burmese 1330 GMT 23 Aug 85 BK]

CSO: 4211/91

INDONESIA

RESISTANCE IN TIMOR CONTINUES

Lisbon O DIABO in Portuguese 23 Jul 85 p 6

[Text] "Timor's resistance continues in spite of the difficulties it faces in its struggle," said the chairman of the Office of Timor Affairs or GATIMOR, Moises da Costa Amaral. His statement was based on information brought by "someone important" from Dili, who recently visited Lisbon and who, for obvious reasons, did not identify himself.

This resistance, added Dr Costa Amaral, confirming what O DIABO has been reporting, "has nothing to do with the FRETILIN [Revolutionary Front for East Timor Independence] operating abroad either by the doctrine that it advocates or by its methods. It is a resistance of an exclusively nationalist nature and is precisely aware of contributing to maintain alive a minimum of armed presence that would continue showing to the world the essential fact of the identity of its people."

The conversation we had with the GATIMOR leader allowed us to clarify contradictory aspects of the present situation in Timor, namely the contrast between the contents of a letter dated in February of this year which arrived in Lisbon at the end of June (whose author is in Timor, subject to reprisals if his name were to be disclosed), and the summary of an International Red Cross report. The letter in question tells of violations of human rights that continue to be practiced by the Indonesian occupiers, but in contrast the report of the International Red Cross makes reference to substantial improvement in living conditions to the point that it no longer is necessary to resume humanitarian aid to the population.

Moises Costa Amaral believes that "it is necessary to note that many of the statements attributed to the International Red Cross are channelled through the Indonesian Red Cross, which is totally dependent on the government, and therefore deserves to be taken with reservations." In the meantime, "we should not ignore in any case the important work carried out by these two organizations in the field of their competence."

Doubtless, the situation in Timor from the point of view of the struggle between the occupiers and resisters, and from the humanitarian point of view, is today less tense and less impressive than it was half a dozen years ago. Still, the repressive system continues and continues to have revolting aspects. The resistance also continues and it is Indonesia itself that confirms this.

A few days after the Chief of Staff of the Indonesian Armed Forces said that guerrilla activities had ceased completely, a diplomatic source in Jakarta, quoting a high official who had just returned from Timor, made reference to a clash of occupying troops with guerrillas, which occurred a short time ago. Such contradictions have been constantly verified throughout the Indonesian presence in Timor. The Indonesian authorities are trying by these means to distract the public opinion, leading its attention from essential events and contributing to gradual loss of interest. However, it is easy to verify that Indonesian authorities have always denied reports regarding violations of human rights, accepting these reports only as delayed and unacceptable justification when faced by evidence of documents often prepared with data provided by military authorities."

Spanish Airplanes to Indonesia

Two reports that came to light last week--the increase of conversions to Catholicism and the supply of Spanish airplanes to Indonesia--have also been commented upon by the chairman of the GATIMOR. The first can mean, and means, a way of the Timor people to assert their difference and their identity in the face of Indonesian occupation. However, Moises Costa Amaral commented:

"After the invasion, the Indonesian authorities decided to impose on all the people of Timor who were animists the obligation to opt for one of the religions considered superior: Christianity or Islam. In spite of the attractions of conversion to Islam which would guarantee to the new converts more security and other benefits, almost all conversions were to Christianity. Catholic ecclesiastical authorities were surprised and are now facing problems of all kinds, because they are short of priests to be trained to serve, as well as essential financial means. Before 1975 conversions were slow and stable, with the guarantee of free adherence, taken without any kind of pressure and on the basis of freely taken personal decision."

Regarding the supply of Spanish airplanes to Indonesia, this should not be a surprise: it is within the framework of a 1981 agreement and should represent a good investment for Spain, but, said Costa Amaral, "it will be one more weapon to crush the Timor resistance without appeal, especially because now that the resistance is left on its own resources, without any outside help."

Demythification of FRETILIN

For our part, the demythification of FRETILIN seems to be more than ever necessary. Without this it will be impossible to clear up the already confused panorama of Timor. The existence of this puppet movement serves only the interests of Indonesian imperialists. While FRETILIN goes abroad proclaiming itself to be the representative of the people of Timor, Indonesia

can hypocritically argue that it is preventing Marxism from being established at its door and at the door of Australia. This is so obvious that once more we are led to believe that those who sustain and maintain FRETILIN and the frequent trips of its members, are purely and simply a section of the secret services of the Indonesian Ministry of Foreign Affairs.

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CSO: 3442/230

INDONESIA

NU'S NONPOLITICAL PROGRAM DESCRIBED

Jakarta TEMPO in Indonesian 6 Jul 85 p 15

[Text] Two weeks after Lebaran [Muslim holiday to celebrate the end of the fasting period], NU's [Muslim Scholars Organization] PB [Executive Committee] office on Kramat Raya Street, Central Jakarta, is still quiet. This is not because NU's leaders are still spending the holiday in their home towns but because they are visiting the branch offices.

Kiai [a title] Achmad Siddiq, first chairman, is visiting Central Java and East Java; Abdurrahman Wahid, executive general chairman, is visiting several branches in East Java and Bali; Asnawi Lathif, secretary of NU's PB, is visiting branches in Lampung together with Mrs. Wachid Hasjim. "So that's why there aren't any people in the office," said Anwar Nurris, secretary general of NU's PB.

Since the new NU leadership was formed 6 months ago, the organization's appearance has changed. This is reflected in the face of the PB offices. Formerly it was hard to get to see NU's leaders in the old offices; now they are regularly available. Visitors are noted down, and now they are received in a special room instead of in the workroom.

For this last half year the NU has been moving along faster. "It's hard to calculate but I'm gathering information for a report for a joint meeting, to be held from 12 to 14 July and attended by 200 NU figures from all over Indonesia," said Anwar Nurris.

After returning to the 1826 line of action and becoming a nonpolitical organization, the NU can focus its energies on fixing up the organization and on carrying out the programs announced by Abdurrahman Wahid some months ago. "To develop the NU turns out not to be as difficult as I thought. NU's leadership in the provinces is mentally ready for it," said Abdurrahman Wahid.

Abdurrahman at first thought that the involvement of NU's members in the PPP [United Development Party] would be an obstacle to its programs. "It turned out that it wasn't hard to separate the NU part from the PPP part, except in some provinces, where the government didn't want to abandon it yet." He admitted that many NU members are still involved in politics. But "they are

doing it as individuals. They understand that whatever political statement they make is as individuals and doesn't involve the NU."

Carrying out the NU's program has begun. A Human Resources Study and Development Board [LKPSM] was formed at the beginning of April. As an instrument of the NU, its task is to plan and implement programs in educating, training and developing society. It is led by Abdullah Syarwani. "This board has absorbed almost 60 percent of our programs," said Fahmi D. Saifuddin Zuhri, chairman of NU's PB. It is expected that this program will train 15,000 cadres in 5 years.

NU's PB has also announced the formation of a Publication and Distribution Board. Other plans are to raise the living standards of fishermen and estate workers. An NU Agricultural Board is also being activated, to be led by Imam Churmen, member of parliament considered knowledgeable in agricultural matters. "None of this is being done in a startling way, but rather by evolution," said Fahmi.

Several of NU's new programs have been welcomed. "The community's faith in NU is increasing; in fact, we're at a loss as to how to take it in," said Fahmi. As proof he gave an example: so many members are donating land as a charitable contribution that they need a special administrator to handle it. Cash contributions are also flowing in. "In East Java we are selling certificates and they are very popular," Fahmi explained. Reports are that offers of aid from abroad are also coming in, perhaps because the NU is now considered a social organization.

When the NU was still a political organization, many of its members looked with envy on Muhammadiyah's progress in the field of education. The NU is going to try to catch up. For that purpose the NU Maarif [education] board will be fixed up and improved. A Maarif congress held in Malang recently decided to improve Malang Islamic University, owned by Maarif. Plans are to open a nursing academy in Surabaya in August. Hospitals will also be built in Malang, Banyumas and Pontianak. "Everything will be done step by step," said Fahmi.

9846

CSO:4213/292

INDONESIA

OVERSEAS WORKERS FORBIDDEN DISCUSSIONS WITH FOREIGN PRESS

Sudomo's Decree

Jakarta KOMPAS in Indonesian 10 Jul 85 p 1

[Text] Sudomo, minister of manpower has decided in decree No KEP. 420/MEN/1985 that every Indonesian worker to be sent abroad must sign a statement on a form to be issued by the Department of Manpower.

It was stressed that Sudomo's opinion is that every Indonesian worker to be sent abroad must sign a statement in order to increase his awareness of his obligations and responsibilities abroad and in order to maintain good international relations.

Point 2 of the form, which is an insert in SK [decree] No KEP/420/MEN/1985 issued on 24 April, reads as follows: "I will not discuss any of my problems (if there are any) while working abroad with any domestic or foreign newspaper or with any unauthorized party, because I am fully aware that it is a sensitive issue which might disturb the existing friendly and fraternal relations between the Indonesian government and the country in which I am working."

Point 3 reads: "If there arise any problems between me and my employer, I must solve them directly with the employer or ask for an arbitrator from the company which recruits the labor in the country in which I am working and from the local representation of the Indonesian government."

Where There's Smoke There's Fire

Meanwhile, an observer of Indonesian labor abroad told KOMPAS yesterday afternoon that the insert in the minister of labor's decree is an emasculation of Indonesians, rights of free speech.

Where there is smoke, there certainly is fire. There clearly are reasons for the fact that some Indonesians working abroad speak frankly to the press about their experiences in the country in which they are working.

He added that up to now those people who have spoken out in the newspapers have done so because they have complained to the authorities with little or no

satisfactory response. To emphasize their annoyance at the sometimes inhumane behavior of their bosses, they have been forced to reveal their problems to the press.

He admitted that the Indonesian government has often taken the step of sending home those workers who were unhappy because of their inhumane bosses and who wanted to go home.

Nevertheless, the right of free speech should not be limited. "What should be prevented is going too far, exaggerating, so that it involves the relationship between the two countries. That is important," said that source, who did not want his name revealed.

LBH's, Mokoginta's Comments

Jakarta SINAR HARAPAN in Indonesian 10 Jul 85 pp 1, 12

[Text] Abdul Hakim G. Nusantara, SH [Master of Laws], director of the Jakarta Legal Aid Institute [LBH], is of the opinion that the Department of Manpower does not have a firm legal basis for taking this policy step; in fact it violates the basic civil right to speak and to express an opinion.

Abdul Hakim Nusantara said that points 2 and 3 of the minister of manpower's decree No 420/MEN/1985 dated 24 April, which forbid an Indonesian worker from discussing with the press a problem he is facing, are unwise. Besides, it will put an end to the flow of information and close Indonesia's eyes to the actual conditions of Indonesian workers abroad.

"If they are not treated in accordance with their work contract or similar agreement, why should they be forbidden to express their opinions to the press? Have our offices completely settled all the complaints which they have received?" said the director of the Jakarta LBH.

"The government is obliged to protect Indonesian citizens wherever they are. If they are treated improperly or autocratically, should they be told just to keep quiet?" he said. He regrets this decision very much, he said to SINAR HARAPAN this morning, because it exalts national prestige at the expense of basic human rights.

Must be Withdrawn

Nusantara urged Minister Soedomo to withdraw the decree as soon as possible, since those two points of the decree will have bad consequences for Indonesia, as a nation of law, in its relations with the rest of the world.

"Let us not close our eyes to the treatment given to Indonesian workers abroad in order to maintain good international relations. That is not a responsible legal reason," said Nusantara.

He added that the basic labor laws of 1970 affirmed the rights of speech and expression of opinion. "Why not look for another way to handle the problems of Indonesian workers abroad?" said Nusantara.

Member of Parliament

Yan Mokoginta, MP from the Golkar Faction, admitted that a clause forbidding Indonesian workers from making statements to the press, which was included in the minister of manpower's decree, is the minister's right. However, he recommended that the minister also pay attention to the workers' basic rights, which include making statements to the press.

This member of Commission VI of parliament told reporters this morning that workers' complaints about irregularities in sending them abroad have had a positive side because the government has been able to take measures against the guilty parties.

He also said that the minister of manpower's decree has a good goal, to prevent Indonesian workers' problems from becoming so exaggerated so that they disrupt Indonesian-Saudi Arabian relations.

Yan Mokoginta said that the workers can complain to parliament, which will pay attention to their problems and struggle to overcome them. This is to prevent a third party from taking advantage of it.

Mokoginta added that when the decree is put into effect the Department of Manpower should really oversee sending Indonesian workers abroad and increase the staff looking into the problems in Saudi Arabia. He repeated his suggestion that the clause forbidding giving statements to the press be improved by paying attention to basic human rights.

9846

CSO:4213/292

INDONESIA

MP ON SUMATRAN FIRES

Jakarta MERDEKA in Indonesian 10 Jul 85 p 1

[Text] Suhardiman, deputy chairman of the Golkar's Faction [FKP] political section in the DPR [Parliament], said that the plantation fires in North Sumatra were set by people trying to undermine the government's authority and to cause social unrest, using weather as a scapegoat.

He explained this to the press at the DPR building in Senayan yesterday afternoon after his 4-day observation trip to the field last week. He hoped that the government would take both technical and political steps in its future efforts at rehabilitation.

Suhardiman saw weaknessness in the estate area, such as obervation towers which are technically far from satisfactory and the lack of separators demarcating different estates.

He observed that 50 percent of the 15,000 hectares of rubber and palm oil estates is owned by certain figures and management is handed over to big businessmen.

Suhardiman believes that the territorial organization and government apparatus should be improved in order to eliminate extremist groups.

Temperature

A report was received that the temperature in North Sumatra in June was 38, Celsius and that there had not been any rain. Wind velocity was 19 knots per hour and relative humidity was 40 percent.

In addition to the 15,000 hectares of smallholders' estates which are on fire, there are 5,130 hectares of PTP III [state-owned estate] and 150 hectares of PTP IV land (only rubber trees) are also on fire.

9846
CSO:4213/292

INDONESIA

PROBLEMS FACING COAL MINING DESCRIBED

Kuala Lumpur BUSINESS TIMES 19 Jul 85 p 19

[Article by Kieran Cooke]

[Text] "IF I was betting on the future of Indonesia's coal industry," said a Canadian engineer, "I'd make it an each way wager. They've got the coal, seem to have the funds but they've got the problems in plentiful supply as well."

Many people would share that view. Coal is perhaps Indonesia's most under-used energy source, accounting for less than 1 per cent of energy needs, having been ignored as the country has developed into Asia's biggest oil exporter.

But now, all that is changing. In the present five-year plan — called Repelita IV — the target is for production to leap to 9.7 million tons by 1989, and more than 12 million tons by 1990.

Last year, output was a little over one million tons. Several international companies have started to look at Indonesia as a potentially significant player in the important Pacific Basin coal market.

The government plan, however, is thought by some to belong more to the realm of fantasy than reality.

Nightmare

But the economic planners are adamant: the switch of energy supply away from oil to coal, and

to a lesser extent, to hydro-electric power and even nuclear fuels is a key element in the country's overall economic strategy.

Indonesia — a country of 160 million people — cannot afford to allow domestic energy demand, which is going up by about 10 per cent each year, to absorb too much of its oil output. At present, revenues from oil exports account for more than 60 per cent of foreign exchange earnings.

Estimates of Indonesia's actual coal reserves change almost daily. But even the most conservative put these in excess of 15 billion tons and some go as high as 20 billion tons.

These are found in three main areas: at Ombilin in west Sumatra, Bukit Asam in south Sumatra, and in Kalimantan. Some production has been going on at both sites in Sumatra for more than 60 years though coal development on Kalimantan is much more recent.

Prospects for big production increases at Ombilin and in certain areas of Kalimantan are encouraging. However, Bukit Asam, which is being developed into Indonesia's biggest coal project, is rapidly turning into a planner's nightmare.

According to original government plans, production at Bukit Asam

should have reached nearly one million tons last year. However, production was in fact under 500,000 tons, and many are beginning to question government production targets of three million tons by 1989.

In the late 1970s, the World Bank drew up a US\$1.12 billion plan for the exploitation of an estimated 350 million tons of coal from three mines at Bukit Asam.

The project, 60 per cent funded by the World Bank and also by export credits from West Germany and Canada, aims to rehabilitate and develop open-cast and underground mines, to both upgrade and build railway tracks of more than 450 km and to construct a terminal at Tarahan, Sumatra.

Coal would be taken from Tarahan across the Sunda Straits to West Java to feed the new Suralaya power station. The first two 400 Mw units at Suralaya are already in operation and by 1990 the plant will need about 5 million tons of coal feedstock each year.

But because of problems and delays at Bukit Asam, Indonesia has been forced to sign contracts with Blair Athol of Australia for delivery of more than 400,000 tons of coal for Suralaya. International tenders have already gone out for further imports.

Seemingly endless bureaucratic delays, arguments between vested interests, land compensation disputes, and major geological problems have all bedevilled developments.

At the site itself, rehabilitation work has proved far more difficult than anticipated. Large amounts of imported equipment are laying idle. Sections of the railway track linking Bukit Asam with the coast are still not completed.

But it is at the Tarahan coal terminal, being built jointly by Balfour Beatty of Britain and Dominion Bridge of Canada, that the most complex problems have arisen.

The project, costing more than US\$70 million is literally sinking. The government says the structural foundation has already sunk more than 70 cm, and though work is far progressed, alternative sites are being considered.

Incentive

Prospects at Ombilin seem to be brighter. Last year, production at the mine, which is estimated to have total reserves of more than 40 million tons, was 583,000 tons — an 80 per cent increase on the 1983 figure.

A large-scale expansion is under way, both at open-cast sites and on a new underground mine, designed to take production to more than one million tons by 1987.

Coal is transported out of the Ombilin area by train to Padang port on Sumatra's west coast where a terminal is nearing completion. One concern here is the lack of government help in building sufficient infrastructure: a particular worry now is a shortage of rail carriers.

A large percentage of Ombilin's production goes to feed Indonesia's burgeoning cement industry which has been ordered by the government to switch to coal firing. De-

spite shortfalls on the domestic market, Ombilin's production also goes for export.

The high quality coal produced at Ombilin is worth valuable foreign exchange: also, exports have to be continued to fulfil existing contracts. Last year, more than 300,000 tons of Ombilin's production was exported to Taiwan, Malaysia and Bangladesh.

But while developments continue at Bukit Asam and Ombilin, government hopes for a massive expansion in coal output rest chiefly on Kalimantan. The state coal company, P.T. Tambang Batubara, has set a target of more than seven million tons from the area by 1990 — from only a few thousand tons now.

Preliminary finds by several foreign concerns indicate that such a target, though ambitious, is not entirely fanciful. In the early 1980s, the government offered concessions to foreign firms based on a maximum nine-year exploration and 30 years' exploitation period.

Under the production-sharing terms, Indonesia will take 13.5 per cent of eventual output and give considerable investment and tax incentive. British, Italian, South Korean, Japanese, Spanish, Taiwanese and several companies from the US and Australia are involved in exploration work in Kalimantan.

Many are bullish about prospects so far: BP, which is exploring a block in east Kalimantan, along with Conzinc Rio Tinto of Australia, is likely to announce significant finds of high standard coal soon. Other companies have already said they are ready to start production work.

Foreign companies are, however, unlikely to proceed to the production stage without firm sales guarantees which are most likely to come from the state electricity body and cement plants. — FT

LAOS

INFLATION RATE, REFUGEES, SRV TRAINING OF MILITARY NOTED

Paris LE MONDE in French 18 Jul 85 p 6

[Article by Jacques Bekaert: "Purging Officials of the Old Regime Continues"]

[Text] Bangkok--In June 1984, two sons of Prince Souphanouvong, president of the Lao People's Democratic Republic, were arrested. Like many others before them, Kansay and Vietvan were accused of "economic crimes." They are still in prison.

A few months later, in November, several high officials, including Deputy Minister of Finance Oudone Pholsena and Deputy Minister of Trade Chanpheng Bounnaphone were in turn jailed for corruption.

Specifically, Mr Oudone was charged with implication in an obscure affair of defective secondhand tractors bought "new" from a Thailand company. The fraud involved millions of dollars.

Already in May 1983, another deputy minister, this time of construction, Sengkham Phinit, had been put in prison, also accused of corruption. Some 50 other officials had experienced the same fate, resulting, like any purge of this kind, in a flight to Thailand of many of their colleagues.

For his part, the deputy minister of foreign affairs, Soubanh Srithirat, a Saint-Cyr graduate regarded as the most brilliant individual in his ministry, was sent to Hanoi 2 months ago "for training." As a former member of the Laotian communist administration explained to us: "If he quickly understands what is expected of him, his stay in Vietnam will only last a few months and could end up with a promotion. If the contrary is the case, the minister's stay may extend to 2 or 3 years."

Having become a socialist republic on 2 December 1975, Laos, unlike Vietnam, does not experience economic isolation. Contrary to the Kampuchea People's Republic, it is not a diplomatic pariah.

However, most observers believe that, with the approach in 5 months of the celebrations of the 10th anniversary of the coming to power of the Revolutionary Party of the Laotian People (Communist Party), the local authorities, perhaps under pressure from Vietnam, want to "clean out" from their administration a number of officials left over from the old regime.

In Hanoi's Orbit

For more than a year, an especially strong effort has been made to more strictly control foreign trade and private saving. This led to the arrival of more than 18,000 refugees in Thailand in 1984. An impressive figure compared to those of the 2 preceding years. In 1982, the U.N. High Commission for Refugees counted 5,019 clandestine departures. The following year, almost 7,000 Laotians took the one-way trip across the Mekong.

Since the signing in July 1977 of the treaty of friendship and cooperation, and strengthening of "special relations," with the Vietnam neighbor, Laos has entered more and more closely into Hanoi's orbit. The prime minister, Kaysone Phomvihane, was as far back as 1946 a member of the Indochinese Communist Party, the forerunner of the Vietnamese party. Yet, it is the vice chairman of the council of ministers, Nouhak Phoumsavanh, who is regarded today as representing the pro-Hanoi tendency in the political bureau. Vietnam maintains an army in Laos estimated at between 50,000 and 60,000 men. It is reportedly composed of six infantry divisions and two engineer divisions, to which must be added two autonomous regiments.

The activities of an anticommunist resistance that is ill-organized but a source of concern to local authorities, as well as Vietnam's desire to be able to recall part of its troops stationed in Laos in case of increased pressure from China, has prompted Laos to considerably develop its own people's army.

Since 1984 we have seen a vast recruiting campaign. Heavily populated provinces have to provide 1,000 young men, the others only 600. More than 5,000 students have thus been enlisted. This would have enabled establishing five new infantry divisions last year. The final goal is to bring the total strength of the Laotian army to 70,000.

The future officers have been trained mainly in Vietnam. The most capable will after 36 months of training become battalion company commanders. This more or less voluntary recruiting has had, among other effects, that of prompting the departure for Thailand of hundreds of youth.

Simultaneously, and closely following Vietnam's example, the Laotian Communist Party has reorganized its control over the army. While the chain of command, which starts in the political bureau and the central committee, has been strengthened, the military commanders, as a result of the system called "unique command," will henceforth have more responsibility in the field. In the past, there were frequent conflicts between political officers and strictly military personnel.

Rise in Price of Rice

The "social purification" effort particularly affects the foreign trade sector, the small private enterprises (no less than 4,670 persons have registered their businesses in Vientiane municipality alone), and gold and precious stones merchants. The latter have to pay prohibitive "license" fees and are subject to taxes so high that they can have no other purpose than to cause the early disappearance of this type of activity.

If one adds a drop in rice production, a rate of inflation estimated at 30 percent, and a budget that relies mainly on foreign aid, one can understand that even the Laotian Communist Party itself is very moderate in its optimism. The incompetence of very many officials is admitted, however, to the extent that officials of the old regime are progressively eliminated, it is hard to see how the country can make out in the immediate future, without sliding even a little further into the Vietnamese sphere of influence.

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CSO: 4219/66

LAOS

INTERIOR MINISTRY ORDERS REGISTRATION OF FIREARMS

Vientiane KONGTHAP PASASON LAO in Lao 6 Jun 85 p 3

[Regulation No 98/MOI on registration of weapons and explosives controls on 14 March 1985 by the Interior Minister General Sisavat Keobounphan]

[Text] The Ministry of the Interior and the Ministry of National Defense have issued the following regulations based on the policies of the party and government on improving security work.

Article 1. All firearms and explosives belong to the government and must be controlled directly by the government. Only the military and police have been given the right to use them and have been issued permits. They have the right to inspect usage and to keep firearms and explosives. The disbursing of firearms must be accompanied by the notifying paper.

Article 2. Firearms holders and users, and those sending military and sport firearms and explosives are granted the following rights:

-provincial military headquarters and up can issue permits for firearms and explosives under military organizations and departments.

-PSS capital police headquarters has the right to issue permits for firearms and explosives under organizations and the Public Security Service [PSS] and other sections.

Article 3. After combat and training and when firearms are not being used, all military and sport firearms and explosives must be stored by the organizations and offices. The department which is responsible for them must protect them carefully from loss, damage, and fire. Only those permitted by the PSS to use firearms may keep military and sport firearms and explosives in their homes.

Article 4. Firearms holders are absolutely forbidden to let others use their own or public firearms.

Article 5. Anyone using a hunting gun must have a permit issued by the district PSS.

-Alien and domestic persons who have hunting guns must have a permit issued by the Ministry of Interior.

-The people of ethnic groups in mountainous areas who have hunting guns must report to the [PSS] of the canton or village they are in so they can register as hunting gun holders without having to ask for a permit from the district PSS.

Article 6. Since this regulation has become effective, those who possess firearms and explosives must report in order to register their weapons with the canton or village PSS. If military and local administrative committees who are allowed to use firearms and explosives do not have any permit, the weapons must be held in the PSS office in order to correct the situation.

Article 7. Absolutely no military firearms may be converted to hunting guns.

-Neither weapons nor explosives may be used for hunting.

-It is absolutely forbidden to use military or sport firearms for hunting to engage in other illegal acts. Anyone who has a gun that has been altered must hand it over to the district PSS to be kept in storage.

Article 8. Anyone who illegally trades, produces, repairs, or hides firearms and explosives or who uses, possesses, or transports firearms and explosives by means not in accordance with this regulation must be judged properly on an individual basis.

-Anyone who lacks responsibility and does not strictly follow the regulations for firearms and explosives control, causing sport weapons and explosives to become lost or damaged, must be disciplined or punished by a court.

Article 9. Everyone is obligated to watch for and to report to the administrative committee any case of illegal trade by those who produce, repair, or conceal firearms and explosives. Any unclaimed firearms or explosives found must be handed over to the PSS or to the military.

Article 10. The chiefs of various organizations, offices, work units, work sections, and different mass organizations, and local administrative committee chairmen are under obligation to carry out this regulation within their own work sections and localities.

Article 11. In order to implement this regulation effectively the ministers of the Ministry of Interior and the Ministry of National Defense [must] transfer their right to the Weapons Control Department of the Ministry of National Defense along with the Population Protection Police Department to carry out strict inspection and control according to what is contained in the regulations.

Whatever can or cannot be carried effectively in this regulation must be reported to the ministers of Interior and National Defense so they can advise on the proper implementation. 14 March 1985, Minister of Interior. Signed and sealed by General Sisavat Keobounphan.

LAOS

POLICE OFFICER PROFILED, DUTIES DESCRIBED

Vientiane KONGTHAP PASASON LAO in Lao 6 Jun 85 p 3

[Article by Thongvan: "One of the Leader's Circle"]

[Excerpt] In a short period of time, Comrade Thim Sanamisai led his police officers to become outstanding in protecting various roads, in protecting party and government leaders and visitors who came to town, in protecting and inspecting transport vehicles and the people travelling along various routes, and in protecting the property of the party and government; the public property of the people of ethnic groups as well as lives in his work area so they would be peaceful and secure and to ensure a decrease in fires and road accidents, maintain order in the capital, and order throughout the nation as well so it would become secure and beautiful.

Besides specialized tasks he also led his police officers in carrying out production according to the directions issued by the ministry, especially regarding the food supply which has been increased, and many animals are being raised in order to have sufficient food for the [police] forces and to save expenses in the market. This is to provide security for the police officers in his regiment and ensure their good health and sufficient food and clothing according to the slogan "We must be resolutely self-reliant and self-sufficient and strengthen ourselves." It also provides training for the police officers, so that in order to carry out effectively their duty of attacking the enemies and their specialized tasks, they also carry out economic construction at the same time.

In order to score achievements for National Day on 2 December, Comrade Thim Sanamisai told us that what our police officers have struggled together to achieve is a great learning experience which helps us to see both the good points so that we will succeed next year, and also the weaknesses so that we can work together to solve them. Meanwhile, we will continue to expand the division at the same pace as others, e.g., to convert to the base so as to improve and strengthen their own specialized tasks and to succeed in their duty assigned by the party and government, the country, and the ministry. This is because the traffic and fire police are facing problems with the masses of all classes. We must make the working techniques of the traffic and fire police forces consistent with being the people's police who protect and maintain the interests of the people of ethnic groups.

Comrade Thim Sanamisai is a model cadre who is active and outstanding. He is a party committee member who provides leadership all around, and he is a model for cadres who are responsible for work in other divisions. He has the trust of the party and government, and he is an excellent son of the truly brave and resolute Bang Liang villagers in Tha Khek District, Khammouan Province. He is 46 years old. He brought himself to the light of the revolution in 1960. He encountered a storm of difficulties when he slept on the dirt and ate dried rice. In 1977 he was needed for a new assignment as assistant chief in the Ministry of Interior. In 1981 he was assigned responsibility as the chief of the fire and traffic department, which he is now.

As a result of the achievements mentioned, he has helped the department to achieve a banner and a second class independence medal.

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CSO: 4206/165

LAOS

MONG PSS OFFICER FIGHTS RESISTANCE IN HOUA PHAN

Vientiane KONGTHAP PASASON LAO in Lao 13 Jun 85 p 3

[Article by Thongsai Phengmani: "Cadres Who Are Good at Propagandizing and Mobilizing"]

[Text] Sub-Lieutenant Chanthavi is a brave and strong person who endures many difficulties. He is a Mong, and he will be 33 years old. He is now chief of PSS 53 under the Houa Phan Provincial Police Headquarters.

Comrade Chanthavi told us that in the beginning he encountered numerous difficulties. For example, he had to work hard in the population base in order to propagandize, and he worked on specialized tasks in remote areas. He risked his life for people many times, e.g., in the three border provinces of Sam Neua, Xieng Khouang, and Luang Prabang, and in Ban Phou Vieng, Ban Gnoihin, Houai Thong, Houai Sanguang, Houai Hak, and Viengthong District. These are Mong villages of the Lao Theung that have not yet absorbed the political policies of the party. They have a number of bad people who work for the enemies called "Chao Fa Reactionaries." Comrade Phanthavi tried to work closely with the people in these villages. Many times he had to do without food and sleep, and he had to sneak into the forest to sleep. Many times he had to be self-sufficient in terms of his own food. Finally, he tried to find ways to propagandize and to mobilize the people in the area. He propagandized the party's policies many times. The people in each village finally gradually came to understand the party and government policies toward the people in the new period. In order to disseminate and propagandize the party's policies, he employed first of all his agreeable resourcefulness, i.e., by gathering together and organizing festivals in the Mong tradition so as to make them happy and to get the people in the area to know him, and to believe in and love him. He then mobilized to build a school and train teachers to teach culture, resulting in many people in many villages becoming literate.

From his efforts and endurance through these difficulties, he was able to mobilize 7 good people and 10 people who had fled the jungle. There is now 85 percent security in those villages as a result of the blood and sweat of Comrade Chanthavi, who has been persistent and who has endured difficulties from the beginning to ultimate success. On the occasion of the entire party's, armies', and the entire people's emulating each other to score achievements for the 10th anniversary of National Day on 2 December, he also vowed that he would try to get involved with the actual work in order for the villages to become safe and peaceful.

LAOS

PRECEDENCE OF DECORATIONS, AWARDS TO LPA DISCUSSED

Vientiane KONGTHAP PASASON LAO in Lao 13 Jun 85 p 2

[Article: "Discussion of the LPA's Weaknesses and Strenghts in Carrying Out Regulations"]

[Excerpt] A total of 81,476 medals and 16,967 commendations have been given to the LPA.

In particular, the number of different medals we obtained excluded those from two conferences of the emulating combatants in Sam Neua, in 1956 (Soi District) and in 1963 (Phou Khe), when the medals were handed over at a meeting of the emulation combatants of the Lao People's Army (LPA). The details are given in the following table.

No.	Type of commendation	30 year achievement	5 year achievement	1 year achievement	total
1	National gold medal	1			1
2	Independence medal first class	89		89	89
3	Independence medal second class	892	177	22	1,091
4	Independence medal third class	2,087	981	139	3,837
5	Victory medal first class	812			812
6	Victory medal second class	6,455			6,455
7	Victory medal third class	7,579			7,579
8	Labor medal first class		13	3	16
9	Labor medal second class		1,352	97	1,449
10	Labor medal third class		3,089	161	3,250
11	French resistance medal	893			893
12	American resistance medal	22,886			22,886
13	Labor medal		84,897	44	8,941
14	5 year commemoration medal		43,044		43,044
15	Hero medal	88			88
16	Emulation combatant medal	243			243
17	Government commendation	8,710	3,582	4,675	16,967
18	Certificate of the nation's gratitude	263			263

Note: 1. Heroism medals: 7 battalions, 37 companies, and 44 individuals;
2. Emulation combatant medals: 25 outstanding divisions and 218 individuals.

We are extremely proud of the virtues and the great achievements the LPA has had throughout the period of construction and past struggles. This confirms that the regulations have been carried out well and also the affirmation of our military officers and combatants.

Dear comrades, when we carefully examine specific details, our LPA, our cadres, and our combatants still have many unsolved weaknesses. This is because the understanding in carrying out the LPA regulations has not been profound, the revolutionary consciousness and work responsibility has not been high, self-confidence is still low, and they have not yet demonstrated a leadership role as a good model for the masses by their own awareness.

9884

CSO: 4206/165

LAOS

LPA, SRV PERSONNEL WORK AT LUANG NAMTHA DAM

Vientiane KONGTHAP PASASON LAO in Lao 30 May 85 p 1

[Article: "The Nam Leu Hydropower Plant Construction Company Opened a Conference To Learn Their Lessons"]

[Text] On the morning of 1 May 1985 the guidance committee for the Nam Leu hydropower plant construction project officially opened a meeting to summarize their lessons for phases 1 and 2. Many engineers and workers attended.

Honored attendees at the meeting were Division "J" commander representing the political office of the division, the hydropower plant guidance committee and comrades from the hydropower plant, Mr Khammouan of the party committee, the administrative committee of Namtha District, and representatives of each unit around the division.

At the meeting the guidance committee read the official summary of the strengths and achievements of the engineers and workers following phase 2, and then read the emulation contents and opened the next period emulation between divisions. At the same time they gave out gifts for the comrades who did good work in the hydropower construction, for which there were 77 comrades for type 1 and 87 comrades in type 2.

The division commander later made a speech in which he pointed out the significance of the Nam Leu Hydropower Plant Construction to military officers and also to the Lao and Vietnamese workers and engineers. He also reminded the military officers who are constructing the plant to pay careful attention and to put all of their energy and intelligence into accomplishing the construction.

The representatives of military officers, engineers, and hydropower construction workers then vowed to the higher echelons that they would increase and strengthen the solidarity and working relationship between Laos and Vietnam. They would put all of their energy into doing the construction and into maintaining the army regulations so that the work would be completed as expected. They would maintain the number of personnel and work on constructing the hydropower plant effectively and on a regular basis.

LAOS

BRIEFS

FOODSTUFFS ENTERPRISE--Vientiane, 13 Aug (KPL)--The foodstuff enterprise of Vientiane Province, during the first six months of this year, bought 13,300 tons of paddy and 850 head of buffaloes and oxen from the people. Meanwhile, the industry, handicraft and forestry service of Vientiane Province, turned out 840 cubic metres of sawed timber. The service also felled 9,000 cubic metres of timber worth at 2,433,000 kips, produced 600 tons of salt, over 1,5 million bricks and 8,600 items of garments. [Text] [Vientiane KPL NEWS BULLETIN in English 13 Aug 85 p 2]

AUSTRALIAN ASSISTANCE--Vientiane, 7 Aug (KPL)--A cooperation memorandum on the production of fodder between Laos and Australia for the years of 1985-87 was signed here yesterday. Signatories were made by Khamsing Sayakone, Deputy-Minister of Agriculture, Irrigation and Cooperatives, and John Bruce Campbell, ambassador to Australia to the Lao PDR. The memorandum spelled out that the Australian government will assist Laos in a project of transplantation of corn and cassava worth at over 1,800,000 Australian Dollars. Earlier, the Lao government has received a number of Australian aid-projects, namely in live-stock and irrigation fields. [Text] [Vientiane KPL NEWS BULLETIN in English 7 Aug 85 p 3]

CSO: 4200/1480

MALAYSIA

SARAWAK IBANS PLAN NEW PARTY

Kuala Belait THE BORNEO BULLETIN in English 3 Aug 85 pp 1, 2

[Text] The Ibans in Sarawak are beginning to flex their political muscles as the largest single ethnic group in the State.

Fed up with the leadership of Parti Bansa Dayak Sarawak and inspired by the success of Datuk Joseph Pairin Kitingan's Parti Bersatu Sabah, a group of Iban professionals is planning to set up a new political party.

And in Kuching this week, the former president of the Sarawak Dayak National Union, Mr Michael Buma, called for the formation of "think-tank" comprising educated Ibans who genuinely had the interest of their community at heart.

Mr Buma sharply criticised Iban leaders for their inability to force Iban participation in the development of the state and for not knowing how to approach their own community.

The State Assemblymen for Balleh, Dr James Jemut Masing, also lashed out at which he saw as a lack of educational opportunities for Ibans in his constituency.

"We are lagging far behind, educationally and economically," Dr Masing said.

"Malnutrition among Iban children is sometimes so bad that it even interferes with their ability to pursue education."

Said Mr Buma: "We have been left behind for too long."

Meanwhile, the newly established Sarawak Iban Unity Movement (SAUM) presently consists of a small group of about 15 Iban professionals who have been meeting at a private home for some time now, also briskly lobbying among the Iban community generally for support.

They say they can't see the Sarawak National Party (SNAP) fighting for the interests of the Ibans who they regarded as the most backward ethnic group in Sarawak.

"We are particularly dissatisfied and disappointed with the leadership of PBDS for having no sense of direction--they seem to be unable to deal with their own problems," one spokesman for the group said.

The Iban professionals also didn't think the Ibans in PBB could represent the interests of their community. "The way things are going now, they will soon disappear into oblivion," the spokesman said.

They say they are worried that economically the Iban community will "miss the bus again" now that the National Economic Policy (NEP) will not be extended beyond 1990.

PBDS was their last hope to get things done, but they believe the party's leadership has done nothing much to relieve the plight of the Ibans.

"We hope to fill the gap which SNAP and PBDS could not fill," the spokesman said.

"We have tried in the past few months to make the two parties come together.

They hope the party can be registered before the coming parliamentary election.

"But our target is the next State election where 18 seats are within our grasp," the group's spokesman said.

In calling for an Iban think-tank devoted solely to Iban problems, Mr Buma said the Ibans had the land but did not have the expertise to develop it.

"We just don't have the experience and the money, and even the schools in many rural areas are in an appalling condition," he said.

"In order to help each other, Ibans must understand Ibans.

"It's all very well to regard ourselves as the true sons of the soil, but that is a false notion of pride.

"It takes hard work--the Ibans of Sarawak must forget the past and stop thinking they live in a land of plenty."

The State Assistant Minister for Resource Planning, Mr Gramong Juna, also urged Dayaks to adapt to changing circumstances.

"We should examine our own weaknesses--one of which is our inability to unite and work together for our own benefit.

"This has cost the Dayaks a lot in social, political and economical terms."

CSO: 4200/1520

MALAYSIA

NEW IBAN PARTY PLANS MEETING

Kuala Lumpur NEW STRAITS TIMES in English 10 Aug 85 p 1

[Text] Kuching, Fri--A meeting to announce the formation of a new political party--Sarawak Unity Movement or SAUM--will be held in Sibu next week.

The proposed party was originally called the Sarawak Iban Unity Movement but the word "Iban" was recently dropped to allow members of the other races to join.

Reports in the Sarawak Tribune and the Borneo Post today said the initiators of the party would meet in Sibu.

The Borneo Post said that some State Assemblymen from the Barisan Nasional were thinking of joining the new party.

It also reported that a prominent Iban Datuk from the Seventh Division had shown his desire to join the party.

Initiators

In a statement today, Parti Bumiputra Bersatu Sarawak (PBB) secretary-general Datuk Leonard Linggi Jugah, clarified that he was not the "prominent Iban Datuk" mentioned in the report.

"As there are only two Iban Datuks from the Seventh Division, I deem it necessary to clarify my position," he said.

Earlier reports said the party was being formed by a group of professionals disillusioned with the present Iban-based Parti Bansa Dayak Sarawak (PBDS) and Sarawak National Party (SNAP)--component parties of the Barisan Nasional.

The group is said to have met several times to discuss the party's future plans and its proposed constitution.

It is interested in contesting in the next State elections and expected to field 18 candidates.

The Borneo Post said that the initiators of SAUM hoped to have the party registered early next year to be in time for the election.

Sources also told the Borneo Post that a draft constitution had been drawn and would be discussed at the meeting.

The president of PBDS, Datuk Leo Moggie, expressed surprise over the report that a new Iban-based political party would be formed in Sarawak.

"I have only read about it in the newspapers and personally have not heard of it," he said when asked to comment.

On whether PBDS felt threatened by the formation of a new Iban-based party, Datuk Moggie said the question of being threatened did not arise.

He said that Malaysia was a democratic country and anyone or any group had the right to set up political parties.

CSO: 4200/1520

MALAYSIA

PENINSULAR MALAYS PLAN NEW PARTY

Penang THE STAR in English 12 Aug 85 p 3

[Text] Kuala Lumpur, Sun.--A new political party--Parti Nasionalis Malaysia--is taking shape, with a group having sought its registration on July 31.

A spokesman for its nine-member pro-tem committee said last night that the party hoped to receive a reply from the Registrar of Societies within a month or two.

However, it is understood that the registration of any new party would first have to get the green light from the Home Minister and this usually takes about four months.

The spokesman said a number of professionals, workers, businessmen, and academicians have agreed to formally join the party after its registration.

He said the pro-tem committee wanted to keep the identity of the president, described as "a well-respected person of high repute," a secret until after the registration.

He said the deputy president was an active union leader but also declined to reveal his name.

Among the vice-presidents are a lawyer, a teacher and a unionist, he added.

The spokesman said various groups--one of which is believed to be Cuepacs--in Peninsular Malaysia and Sabah and Sarawak were consulted before the formation of the committee.

"We hope to obtain approval for the party soon so that we will be able to hold our delegates' conference before the general election is called," he said.

He said the idea to form the party was mooted in January but the committee applied for its registration only recently in view of the number of people involved in its formation.

If the registration is approved, the party will be the newest political party in Malaysia after Parti Bersatu Sabah, which was approved on March 5.

Another party which is being formed is the Sarawak Unity Movement expected to be announced in Sibu this week.

The Party Nasionalis Malaysia said the draft constitution submitted to the registrar outlined the aims of the party, described as "truly Malaysian."

Its motto would be "Malaysians for Malaysia for justice, integrity, unity and progress."

According to the draft constitution, the aim of the party's 16-point objective will be centred on upholding human rights.

The draft constitution stressed the rights of freedom, thought, conscience, religion and expression.

It also emphasises the freedom from exile and the right to enter Malaysia, a fair trial, free election and freedom of choice of education and all rights expressed in the United Nations Declaration on Human Rights.

Other objectives include the creation of equal opportunities for all, just economic returns to all Malaysians for their labour, and the minimisation of unequal distribution of wealth.

"We must improve the standard of living of all poor Malaysians and ensure that selected groups are not the only ones who benefit," the spokesman said.

Although it is not known how far the pro-tem committee has gone in recruiting members, the spokesman said they are "confident of getting support in view of the current political events whereby people are disgusted with corruption and the economic crisis."

He said the pro-tem committee, which would identify itself as soon as registration was approved, would identify its detailed objectives for a "future Malaysia" at its planned delegates conference before January.

CSO: 4200/1520

NEW ZEALAND

WELLINGTON REPORTS FRENCH ARMY IDENTITY OF GREENPEACE SUSPECT

Woman Is Army Captain

HK220046 Wellington Overseas Service in English 0000 GMT 22 Aug 85

[Text] Police investigating the fatal sabotage attack on the Rainbow Warrior in Auckland have identified one of the two people charged in connection with the incident as a captain in the French Army. Detective Superintendent Allan Galbraith said the woman, known as Sophie Turenge, has been identified as French Army Captain Dominique Prieur. When arrested, she had given her occupation as a sociology professor. The woman and her alleged accomplice, known as Alain Turenge, have been charged with murder, arson, and conspiracy plus immigration charges. Mr Galbraith said the police have also established that the two are not married.

The two made another brief appearance in the Auckland District Court this morning. They were again remanded in custody, and will reappear in 8 days. At an earlier court appearance, a lower court hearing of the charges against them was set for November. Security in the court today was tight, with bags being searched and the general public barred from the courtroom.

The prime minister said the announcement by police that one of the two people charged in connection with the Rainbow Warrior bombing was a captain in the French Army came as news to him. He said, the plot definitely thickens, and if it is proved that the Rainbow Warrior bombing is a government act, there are consequences which will follow under international law. He said that's a completely different issue from the trial of the French couple in Auckland.

Lange Comments

HK220132 Wellington Overseas Service in English 0005 GMT 22 Aug 85

[From the "Midday Report" program]

[Text] Well, as you heard in the news, police investigating the Rainbow Warrior bombing in Auckland have identified one of the two people charged in connection with the incident as a captain in the French Army. Detective Superintendent Allan Galbraith says the woman known as Sophie-Claire Turenge has been identified as a French Army captain, Dominique Prieur. The woman and her alleged accomplice Alain Turenge have been charged with murder, arson, and conspiracy, plus immigration charges. We asked the prime minister if he had known the identity of the woman.

[Begin recording] [Lange] That's news to me.

[Unidentified interviewer] What does that mean in terms of the moment the New Zealand Government is going to approach [words indistinct].

[Lange] [Words indistinct] the position of the French Government is different from that of the defendants. If it be a government act, then certain consequences follow in international law. That is a distinct from the trial of the two people in the Auckland District Court.

[Interviewer] Yes, but one of the defendants in the court has been identified as a captain in the French Army. Does not that put a whole new complexion on the situation between New Zealand and France?

[Lange] It does if it's established that that person was acting under orders. It is of course conceivable that that person was, notwithstanding the rank she held, [words indistinct] activist, not to orders. Now those are issues which I am not competent to go into, and they are not helpful to debate, but if you are saying they put a new complexion, definitely. [end recording]

CSO: 5600/4394

PHILIPPINES

TOLENTINO FEELS SNAP POLL STILL POSSIBLE

HK301451 Manila BUSINESS DAY in English 29 Aug 85 p 12

[Text] President Marcos has appeared to have dropped, for now, his threat to call presidential elections in November.

Yet many are not taking his word. It is said the President may just be lulling the opposition into complacency and pull a surprise by calling snap elections.

Former Foreign Minister and MP Arturo Tolentino (KBL-MANILA) told an audience of businessmen in yesterday's Makati Business Club [MBC] forum the President's "favorite strategy" is pulling surprises.

"It is a dangerous feeling, that the idea of snap polls is dead. Just when everybody feels there will be no snap elections, then it will be called," Tolentino said.

This thinking reflects the credibility problem the 20-year old Marcos government suffers.

The President said he will make a final decision in September, one he will base on results of a survey conducted among the country's barangay officials. The trend is negative for snap polls.

But this survey has been questioned by the opposition. A ruling party barangay official from Kawit, Cavite, disclosed in the presence of some oppositionists the survey was rigged. It had supplied answers.

A barangay captain from Makati said she was not given any questionnaire. She is known for her anti-Marcos sentiments.

Tolentino affirmed the survey results were "manipulated" by local officials. He said local officials are averse to holding snap presidential polls because they prefer to hold their elections first: "They know they will be used in the campaign but they are not sure of being the KBL candidates."

Thus, Tolentino said, Marcos is wary of the referendum results. The KBL member said this is one reason the President has not yet decided on snap elections. He called for a "more credible" survey to have as respondents a cross section of Philippine society.

Earlier, some businessmen said Marcos may call a referendum to seek a "new mandate" instead of holding snap polls. Antonio Gatmaitan, former banker, told BUSINESS DAY the referendum does not have the "emotional tone" of elections.

Moreover, observers say a referendum is easier to manipulate than elections. But the decision of Marcos to hold off decision on snap polls works in his favor. Labor Minister Blas Ople said earlier the ruling party can use the possibility of early elections as a "sword" to hang over the oppositionists' heads.

Tolentino, in the MBC forum, dismissed the factor of U.S. pressure weighing down on Marcos to call early elections. He said American Ambassador Stephen Bosworth told him none of the recent visiting U.S. government officials who met with Marcos hinted at the holding of early polls.

Bosworth, Tolentino said, was present in all the meetings. Bosworth assured Tolentino the U.S. Government is primarily interested in clean elections and not on when it is going to be held.

A Western diplomat told BUSINESS DAY in private that a snap election is "uncharted territory." He asked: "Why move from a position of certainty to one of uncertainty?"

The diplomat indicated Malacanang may be setting the Climate for snap polls.

Tolentino said the victory of Marcos in a snap presidential election will mean a prolonged term in office; he has to serve a six-year term.

But Tolentino pointed out he will not support Marcos's bid for reelection in a snap poll because the President is "not qualified" to run. The KBL MP said the constitutional provision on succession is based on the inability of the President to complete his term and not on willful resignation with the intention to seek a new mandate.

Opposition Marcelo Fernan, [as published], who also spoke in the MBC forum, said the "best alternative" for Marcos is to run reelection this year rather than in 1987 "when he will be weak politically and physically."

Tolentino warned, however: "There is more temptation now to put Marcos in power. There are people whose station in life depends on Marcos's stay in Malacanang."

He said a danger the legislators overlooked in drafting the succession scheme is the possibility of a military takeover during the 60-day period the Batasang Pambansa speaker is acting president. The Constitution provides that the acting president cannot use Amendment 6, declare martial law or postpone special elections for the presidency, during the transition period.

Tolentino said the fear is now being entertained that a weak acting president cannot stave off a military takeover.

PHILIPPINES

EDITORIAL ON SNAP ELECTIONS, BARANGAY SURVEY

HK031125 Quezon City ANG PAHAYAGANG MALAYA in English 26 Aug 85 p 4

[Editorial: "The Marcos Logic"]

[Text] That the Kilusang Bagong Lipunan (KBL) decided yesterday at its caucus to put off any decision on the snap election issue pending what it called "further consultations" with the people through more barangay surveys should come as no surprise to Filipinos used to Mr Marcos' surprises.

It should no longer disappoint those excited about having snap polls that the decision will wait for yet another month because, having seen this regime's ability to turn issues upside down, one should not have expected the story to unfold logically anyway.

For the past few days, one saw a flurry of press releases about initial "barangay survey/referenda results" showing how majority of Filipinos "rejected" the snap poll idea. The instant reaction, therefore, of those who knew how the survey answers were actually rammed down the respondents' throats is that "the regime wants to retreat from snap polls, and is using the citizens to show how unpopular the idea is."

But then, one familiar with previous actuations of Mr Marcos, of how he made a show of consulting people on the issues of block voting, of barangay elections, of district representation in the National Assembly, would know why such "barangay surveys" should be taken with a grain of salt.

For all one knows, Mr Marcos wants to show how people repudiate the idea of snap polls, and then later announce he is calling for one, as if to indicate he is doing it out of his own volition, and not due to pressure.

On the other hand, if he says there will be no snap polls, he can say he is following the "majority pulse" as shown in the surveys.

How credible the surveys are, and how dubious the methods used are yet another side of this multi-colored circus of consultation.

Anyone confused with this "blowing hot, blowing cold" stance of Mr Marcos and his men on the instant elections would do well to remember, in the first place,

what maverick KBL MP Arturo Tolentino said: "The decision on snap polls does not rest with the people, but solely with Mr Marcos. He alone, by resigning, can make it possible."

So, for all the money spent on these surveys, and the time and effort expended, one should no longer be taken aback by any future decision on the issue.

One wag who saw the survey sheet, and how the "desired answers" were already provided for, had this to say: "For all you know, Mr Marcos did not want to see what people think of snap polls. Maybe he only wanted to know what they think of the three other issues in the survey, most of which dealt with the Batasan action to dismiss the recent impeachment resolution against the President. But then again, how would he know what they think, if the answers are dictated? I only have one formula for dealing with such trickeries: Never believe anything they tell you!"

CSO: 4200/1485

PHILIPPINES

OPPOSITION GROUPS ORGANIZING AT PRECINCT LEVEL

HK301435 Manila BUSINESS DAY in English 30 Aug 85 p 20

[Article by Raissa Lamson Espinosa]

[Text] Opposition groups are organizing down to the precinct level, relying mostly on "volunteers" made up of out-of-school youths, civic leaders and residents disgruntled with the Marcos government.

Oppositionists lamented however, that the Kilusang Bagong Lipunan (KBL) has virtual control over the electoral process since pro-Marcos men control the Commission on Elections (Comelec), the judiciary the barangays, the police and the Civilian Home Defense Forces (CHDF). Their only chance, they said, is the presence of the National Movement for Free Elections [Namfrel] and teachers in the polling place come election day.

Sources in KBL, the police and the Metro Manila Commission's Barangay Operations Center (BOC) agreed with the opposition's assessment. They also observed that under the new police set-up the most powerful local official is not the mayor but the governor, for instance Metro Manila Governor Imelda Marcos.

With either snap or local elections nearing, the KBL seems to want Namfrel and the teachers out of the electoral picture and the barangay officials in.

Namfrel Secretary-General Christian Monsod said "we expect the effort to discredit Namfrel to escalate" in view of its "success in checking many instances of electoral fraud in 1984."

The government's Office of Media Affairs (OMA) had claimed that Comelec refuses to accredit Namfrel because it doubts its nonpartisanship and independence since its national chairman, Jose Concepcion, and most of its active leaders "are members of the board of, or leading contributors to, known opposition organizations."

To this, Concepcion replied that Report No. 54 issued March 6, 1985 by the Batasan Committee on Revision of Laws headed by MP Leonardo Perez (KBL-NUEVA Vizcaya) had commended Namfrel as one of the organizations which safeguarded the elections last May.

Another KBL MP, Arturo Tolentino, told BUSINESS DAY Namfrel "should be accredited and every pressure by public opinion should be resorted to" in order to bring this about.

"There has been no partisanship shown by Namfrel, the organization," Tolentino claimed, adding that the political inclination of its officers has not affected the non-partisan, independent nature of the body.

The OMA, in a handout it gave to all KBL local officials, posed these questions on the Comelec and the judiciary: "Why did the President appoint his so-called loyalists to the Comelec and why did he promote a diehard Ilocano to the chairmanship?" and; "How can the independence of the judiciary be guaranteed when it is packed with appointees loyal to the President?"

OMA replied that appointments of Quirino Marquinez, Mario Ortiz and Mangontawar Guro to Comelec were based on "their professional qualifications, not personal connections." Savelano, who happens to be an Ilocano, has been an outstanding lawyer, local executive and judge before his appointment to Comelec and he has an "unblemished" government record, OMA added.

The judiciary, OMA maintained, is an independent branch of government whose members enjoy security of tenure. Proofs of its independent stance are "some recent decisions which have been unfavorable to the Marcos administration such as the one on the "WE FORUM" newspaper wherein the Supreme Court dismissed the subversion charges," OMA said.

The KBL, through OMA, also stated that barangay officials should be present inside the polling booths since it is their right to be party inspectors and watchers of candidates. However, MP Tolentino disagreed. Barangay officials may have begun as nonpartisan but they are no longer that, he said. In the recent caucus, they were asked to give their political affiliation through the survey on snap polls and President Marcos, Tolentino added.

He added that teachers should be given more incentive and insurance during election.

For her part, Manila Public School Teachers Association President Ana Rose Roxas acknowledged that the proposal for voluntary service by teachers came from their ranks. But, she added, the teachers will push for the accreditation of Namfrel.

Another teacher marvelled over brilliant timing of Education Minister Jaime Laya in endorsing the teachers' proposal since this would be one way of getting rid of the teachers, who have become more vigilant in preventing election frauds as seen in last May's polls.

As for the new police set-up, one BOC source described it as giving the mayors the candy wrapper without the candy. Mayors up to now have not received the guidelines and don't seem to be that interested to get them. Manila Mayor Ramon Bagatsing, for instance, said he does not even know the extent of his powers.

Brig Gen Victor Natividad, the acting commanding general of the Metropolitan Police Force, said that under the new set-up, Mrs Marcos is more powerful than the mayors but only as powerful as any governor (who is empowered to resolve conflicts between the mayors and station commanders).

Sources from KBL and MMC [Metro Manila Commission] claim, though, that the new police set-up could facilitate the use of the police by official KBL candidates especially incumbent officials running for office.

Despite the fact that the KBL seems to have more money, a well-entrenched barangay organization, pro-Marcos men or loyalists in the Comelec and the judiciary and control over the police, the opposition still thinks it can win because of sympathy votes, Namfrel, the teachers and its own organization.

The Philipino Democratic Party-Lakas ng Bayan [PDP-LABAN] and the United Nationalist Democratic Organization [Unido] note that while KBL is only organized up to the barangay level (through the local officials) in Metro Manila, they are now organized further down to the precinct level.

The Unido and the PDP-LABAN have been conducting neighborhood sorties wherein a respected resident would be asked to volunteer his house and perhaps food for a discussion to which prominent oppositionists or party staff members would be invited to talk.

Afterwards, the audience composed of residents would be invited to join the party, asked to keep the party informed on neighborhood matters and to join rallies.

CSO: 4200/1485

PHILIPPINES

KBL MOVES TO SUMMON SUPPORT FOR MARCOS

HK031133 Quezon City ANG PAHAYAGANG MALAYA in English 23 Aug 85 p 4

[Editorial: "Deception Is Rule"]

[Text] Another attempt at deception of which this administration seems to be a consummate master has reportedly been unearthed by Opposition leaders in Central Luzon. This time it involves questionnaires being circulated in various government offices by the Kilusang Bagong Lipunan (KBL) party soliciting answers and signatures in support of the Marcos administration.

Apparently aimed at preempting or aborting any Opposition move to enervate the underpinnings of the conjugal reign, the so-called survey calls on the people to "support the decision of the Batasan Pambansa to throw out the impeachment resolution against President Marcos and the favoring of his continuance in office without snap elections until the 1985 elections."

The KBL strategy is expected to counter a nationwide project launched by the United Nationalist Democratic Organization (UNIDO) to gather at least one million signatures calling for the immediate resignation of Mr Marcos for "culpable violation of the Constitution and other high crimes." This is apart from the over one million signatures which have already arrived at the UNIDO-MANILA offices expressing support for the second impeachment move being readied by the Opposition against Mr Marcos.

According to MALAYA's Tarlac correspondent, the questionnaire will serve as a meal ticket after they have been filled up (with the right answers, of course). But even in this little thing, the people in three provinces of Central Luzon were deceived. After trooping to their respective town halls as early as 6 am, they were reportedly told to go home as the planned rally where they would have been participants (for a fee) did not materialize.

One could think the administration still has some vestiges of decency to keep its little promises. But it has become crystal clear that after years of being dishonest with itself and the people, it has grown so callous to be responsive to any reasonable expectations of the governed.

The 'Hakot' [rounding up people for pro-government rallies] system it has resorted to everytime the Marcoses want to delude themselves into believing their dangerous hallucination of being loved and supported by the people is just another reflection of this latest fraud perpetrated upon the people. We have it on good authority that every victim of the 'hakot' was supposed to receive the amount of P[peso]50 but most would be lucky to have P20 on their hands.

It seems to prove that under this hated regime, deception is the rule of the game.

CSO: 4200/1485

PHILIPPINES

OPPOSITION SAYS IMPEACHMENT DISMISSAL UNCONSTITUTIONAL

HK020518 Hong Kong AFP in English 0424 GMT 2 Sep 85

[Text] Manila, Sep 2 (AFP)--Opposition leaders said today they would ask the Supreme Court to declare unconstitutional a National Assembly dismissal of impeachment charges against President Ferdinand Marcos.

Opposition M.P.'s told a press forum that within 10 days they would file a petition to the court over an impeachment resolution against Mr Marcos, which was thrown out by the ruling New Society Movement (KBL) [Kilusang Bagong Lipunan] eight hours after being filed on August 13.

The impeachment resolution listed high crimes, deliberate violations of the Constitution, and graft and corruption, highlighted by the alleged stashing of ill-gotten wealth abroad, as grounds for impeaching the president.

Opposition M.P. Luis Villafuerte said it was unconstitutional for the National Assembly to have shelved the resolution after the KBL-dominated committee on justice, human rights and good government voted to reject all three sets of charges.

M.P. Alberto Romulo said that the resolution was signed by 56 M.P.'s out of the 180 Assembly members.

Under the Constitution, any resolution signed by at least one fifth of Assembly members must be heard by the entire Assembly, he said, but the committee had rejected it without it going before Parliament.

Opposition M.P.'s tried to revive the issue last week with a 52-minute video film showing multi-million dollar properties in the United States allegedly owned by Mr Marcos, but the KBL prevented them from showing it at the National Assembly.

The impeachment resolution was inspired by a report in the San Jose MERCURY NEWS of California about U.S. properties allegedly owned by Mr Marcos, his wife Imelda and other prominent Filipinos.

Mr Marcos has dismissed the charges as mere gossip.

Yesterday, Manila newspapers reported that the KBL had employed private investigators to film properties in the United States allegedly owned by opposition figures.

Meanwhile, Justice Minister Estelito Mendoza, who was ordered by Mr Marcos to look into the U.S. property issue, told the press forum today that he would submit his findings to the chief executive this week.

Mr Mendoza refused to disclose details of his report.

CSO: 4200/1486

PHILIPPINES

VERITAS ANALYZES MARCOS, LAUREL STANDINGS IN POLL

HK021152 Quezon City VERITAS in English 1 Sep 58 p 4

[Editorial: "Now Is the Time for Soul-Searching"]

[Text] Whenever the results of an opinion survey are released, the reaction never varies. It does not matter if the survey is conducted scientifically by the most prestigious organization or if it is done sloppily or haphazardly by a fly-by-night group. Those who are favored by the survey invariably tend to gloat, and those whose image suffers because of the unfavorable findings protest indignantly and say that surveys are often wrong, anyway.

The Nationwide Socio-Political Opinion Survey sponsored by the Bishops-Businessmen's Conference and conducted by a research outfit headed by Mr Mahar Mangahas cannot be faulted for its methodology or for the thoroughness of its preparation and expertise. But its findings are expected to generate a spate of controversy that, in all likelihood, will adhere strictly to partisan considerations.

There is no question that the Kilusang Bagong Lipunan members will strut proudly in cock-o'-the-walk fashion, saying "we told you so," because the survey shows that the performance rating of the President is a respectable 44 percent. And there is no doubt that the opposition will cry foul because the front-runner among the potential standard bearers, Senator Salvador Laurel, is unknown to 13 percent of the nation's voters.

To our mind, the Mangahas survey should be an occasion neither for gloating nor for sulking. Rather, it should cause the KBL and the opposition to ponder seriously over the findings and to engage in exhaustive soul-searching if the survey is to benefit the Philippines.

Mr Marcos, for example, must refrain from any manifestation of chest-thumping or back-patting. Rather, he should give serious thought to some other aspects of the survey which show that his popularity is slowly being eroded by certain of his policies which do not find favor with the people.

A hefty majority (61 percent) of the people believe that he should not have the power to legislate by decree. An even higher percentage (65 percent) is convinced that the President should not have the power to issue Preventive Detention Actions (PDAS). And only 26 percent are satisfied with the way the Sandiganbayan is conducting the Aquino-Galman murder case.

As a result of these and other issues, the President's performance rating went down from last year's 47 percent, a significant drop of three percentage points. These drops have a way of escalating if the people perceive that little or nothing is being done about their complaints.

The oppositionists' eyes, on the other hand, should be opened by the survey results. All this time, they have been laboring under the presumption that, in the next election, the President would be clobbered. Thus, instead of spreading their message to the hinterlands, they have remained in Manila--where they are concededly very strong--bickering among themselves on who should be the standard bearer.

It is clear from the survey that in the rural areas, they are not as well-known as they would want to be. Only a minuscule percentage of the people ever get to read the crony newspapers (where coverage of the opposition is at best spotty). It goes without saying that their exposure to the alternative press is even less.

In sponsoring the opinion survey, the Bishops-Businessmen's Conference was motivated by the main objective of finding out what the people feel about current issues with a view to initiating remedial action that is at once informed and viable. This is an objective with which no one can have any quarrel. We can do no less than use all our energies and talents in working for the achievement of that objective.

CSO: 4200/1486

PHILIPPINES

CARDINAL SIN CLAIMS MISUNDERSTANDING OF VIEWS

HK031113 Hong Kong AFP in English 1044 GMT 3 Sep 85

[Text] Manila, Sep 3 (AFP)--Philippine Primate Jaime Cardinal Sin denied in an interview published today that he was an oppositionist and said he would not openly endorse any candidate in an election. Cardinal Sin, a longtime critic of President Ferdinand Marcos, told the weekly magazine WE FORUM that whenever he talked he was being misunderstood as an oppositionist.

"[Words indistinct] is that we protect the rights of the people. So that's why I'm talking," he said.

"Politics is a human activity and it has its morality, and that is where I interfere," he said. "I will never say, 'you vote for this person' because that is going to disunite our people and you know, politics is divisive and we should not interfere in this kind of politics," the Manila archbishop said.

Saying he was only concerned with the moral aspect of politics, Cardinal Sin batted for a "clean, fair and honest election" and said he could not believe Mr Marcos' various statements on a possible snap presidential election this year. "The president was the one who said there can be no election this year and then after a week said that there should be snap election this November, then again last week at a meeting he said there would be none, so I could not believe what he says," the prelate said. Local elections are set for 1986 and presidential polls for 1987.

Cardinal Sin also said the Nicaraguan experience of a revolutionary coalition government could not happen in the Philippines. "Violence is not Christian and the Filipinos will not love a violent system of changing leadership," he said.

The cardinal added that he had no ambition of becoming president like Archbishop Makarios of Cyprus. "Because of the separation of the church and state, it is not good that a churchman become the leader of the country," he said.

He blamed the country's "misery" on "people in the government who are bringing out dollars abroad." Cardinal Sin's remarks came amid a "hidden wealth" scandal here sparked by published reports naming Mr Marcos, his wife Imelda and a cluster of public officials as alleged owners of multi-million dollar properties in the United States.

PHILIPPINES

VERITAS CONTINUES SERIES ON PHILIPPINE COMMUNISM

Quezon City VERITAS in English 21 Jul 85 pp 20, 21

[Second article of a series by Gilda Cordero-Fernando in "Tempest in a Teapot" column: "Reds-2"]

[Text] MF: The Filipinos are a Catholic nation where people will "fight for their faith." Do you think they'll ever accept a godless ideology?

CL: The first communists preached dialectic materialism which rejects the existence of God. In the Soviet Union and Germany atheism is a requirement. In Italy and Poland it is not. In Poland in fact this became a weakness in that Solidarity was "infiltrated" and heavily influenced by Catholics.

You must remember that the Soviet Union was the very first. They were invaded by 21 white armies so they were terribly paranoid. Plus the orthodox church was extremely reactionary. So there was an active pro-atheist drive. But now even in the Soviet Union you can hear Mass, the church is open. The schools for Catholic priests, as in Poland and Czechoslovakia, are supported by the state.

In Vietnam there was no persecution of church as church because it sided with the guerrillas. In Nicaragua they seem to have reached a kind of understanding.

MF: In the Philippines where will the NDF put the church?

JVA: Don't ask me where they will put the church, you tell me where the church will position itself. In the People's Republic of China religion was rubbed out because the Catholic and Protestant Churches sided and fled with Chiang Kai Sek.

I do not see this in the Philippines where a big segment of the church is entrenched with the people. Foreigners have commented that the contribution in fact of the Philippines to international communism is the integration of religion into the mass struggle.

VL: Of course Vatican II helped a lot in evolving a church that is pro-people. When someone for instance is kidnapped by the NPA and they ask for a political prisoner in exchange, where do they ask the prisoner to be brought? To the bishop of the locality! That's how much they trust the church.

JVA: For instance Bishop Fortich of Negros is a people's bishop. Do you think the peasants would allow him to be kicked out? Religion is nurtured and where the people are religion will stay. That's why Banzer plan adherents preach "Kill a priest! Kill a nun! They're NPAs!" So there's your answer. You cannot drive away an ally.

FCA: Besides freedom of religion is specified in the NDF's Twelve Point Program (a constitution of sorts).

GB: I think the other point of departure is the armed struggle.

FCA: Most people seem to think they are supposed to take up a gun and do the fighting themselves. There is a people's army, the NPA, to do that job. There are other things one has to do in the city, like politicizing....

CL: Some people also think the opposition is of two kinds--like kami [us], we're for active non-violence, kayo [you] for armed struggle. As if there had been a choice.

VL: If you investigate who went to the hills it's invariably a case of people with their backs to the wall. For instance a victim of landgrabbing, or one whose father was accused of being an NPA, and salvaged, or one who is himself suspected. Or nuns or priests who are assigned to a community, or doctors who attend to all patients, including wounded NPA, become automatically suspects.

EP: I was approached by a man from Lipa who owned a sugarcane farm that he refused to sell to a friend of the military. One day he was invited to drink by this guy who planted a gun on him. The military was tipped off and the fellow was arrested. The moment he got out on bail he went straight to the hills. Alam mo naman kung nasa dehado ka lumapit ka man sa batas wala ring mangyayari [You know, however, that when the poor go to the authorities, nothing gets done]. It's just people looking for justice, not war.

JVA: It's the government and the military pushing the people to desperation. Take strategic hamletting where they declare certain districts no man's land, herd people into town centers away from their sources of livelihood. They are deprived of the fields they till which were opened up by their forefathers. So what happens is the people try to get out of the hamlets and when they succeed they have no place to run to but the hills.

VL: Landgrabbing, specially in the advent of multinational agri-business is another wholesale way of driving people to join the rebels.

JVA: There are local landgrabbers and foreign landgrabbers. One of the latter was the British company that was burned by the NPA with the help of the people who were displaced by the corporation. The local version is the warlord and the supposed foreign investor who have systematic ways of driving people away from their traditional lands. One mayor I know used to let his cows loose on fields of the peasants in the neighborhood that he wanted to buy out. Wholesale landgrabbing has politicized Mindanao by leaps and bounds, way ahead of Luzon.

Government development projects like the Chico River Dam unified and consolidated people into one solid body of resistance. In the same manner the nuclear plant hastened the enlightenment and radicalization of Bataan.

GB: But aren't you blocking progress that way? How can we ever get anywhere if you cannot change anything?

JVA: Development can be done without harming people. For instance what you need is electricity, power. Maybe one can solve it by harnessing a rapid creek, something humbler, on a barrio level, a windmill, something. Not build a super-dam like Pantabangan that will immerse a whole town and its church and cause so much anguish.

QA: Apparently you go for Schumacher's "Small is beautiful."

GB: Let's just say he doesn't believe that if you live in a bahay kubo [nipa hut] you should desire an infrared oven.

JVA: Why should we be forever catchers of U.S. surplus? Because making big dams is a surplus in U.S. technology. Why create big dams that create new ecological conditions which create new diseases for which new drugs have to be researched by the supplier of the dam who has the facility to research on the new diseases that the dams have created.

GB: I lost you there somewhere.

JVA: Anyway it is the government projects and the military that make it so difficult for the people to survive. Which only results in a mass exodus to the Left.

VL: There are very few who join the armed struggle voluntarily just because they have the ideology. The majority are forced in it.

QA: And our moderate opposition they always say, basta may isang patak na dugo wala na kami riyan [when a fight starts, we don't want to get involved]. Like Rizal, babarilin na lang siya [But like Rizal, while he's still writing letters to Spain asking them to reform, they will be shot],

GB: I met these two guys in the Cordillera--a German tourist and an American resident of Manila. The German related dejectedly how he had been milked dry from the minute he had landed. Hand luggage stolen, taximeter fast, pick-pocketed on Mabmi, given the run-around, fooled by the guide, cheated by the small hotel, and at every restaurant he ate they padded the bill. In fact he said, "If I only knew what was in store for me I'd never have gotten down the plane." The American, a Manila resident for 2 years told his friend: "Well, here in Sagada you'll be okay because these people don't consider themselves Filipinos."

I almost threw my pinakhet [local stew] at him. I tried to answer as best I could. I was deeply embarrassed. Except that all of it was only too painfully true. The American was no less bitter. Sent to the Philippines to set up a subsidiary of an airconditioning company he described doing

business here as "a nightmare." He couldn't get anything done through the legal channels. His friends fixed it so that for a year he had a fake passport and a fake visa. He had to pay through the nose for business licenses, store permit, business insurance, cars; he had to bribe to bring in his imports, to get his dollars in to get his dollars out. The American was very insulting about all this. In fact I told him to go home. But really how do you justify something that you're also the victim of all the days of your life?

The reason I brought this up is I just watch the Filipino on the street four cars deadlocked on an intersection and traffic frozen for miles around, or the barbecue sellers at the corner dumping trash into the street canal, or hear that a millionaire, or for that matter, a clerk, was caught with a jumper on his electric meter (For heaven's sake why would you want to enjoy the cool of your airconditioner and not want to pay for the electricity?!) and I just wonder whether the Filipino is not beyond saving. It would take 500 years to rehabilitate him.

MO: I also think the morality (or immorality) of the Filipino is a bigger problem than all those multinationals the Reds want to kick out. Now, does the Left have any kind of reeducation program of the citizenry, aside from what they do in Davao where they send a warning that in 15 days the bad guy has to reform or he'll be salvaged.

FCA: Well, first of all, I don't think it's a moral issue, it's structural. Take a driver--his salary is just not enough for his needs even if he's the highest paid driver of the neighborhood. So he'll always be tempted to pad the repair bill, get a kickback from the paint shop, occasionally alter the gasoline receipt. Kasi kailangan [It's a need]. He's got a family to feed. It's like prostitution, it's not a moral issue.

MO: Besides which he's a microcosm of what goes on at the top. The policeman collects tong because he sees so much tong-collecting going on in government offices everywhere. You read about all those properties abroad bought by public officials and if you're a repairman who accepts typewriter cleaning or oven repair or any [termite] extermination outside of the company that employs you your dishonesty doesn't seem so bad.

GB: Besides which even if an employee wanted to earn some extra money honestly or his children wanted to there's just no opportunity. Like some columnist praising U.S. children for taking on paper routes, shoveling snow, doing odd jobs. No student here can even get a summer job. There's just no job, period.

JVA: This reminds me of the proverbial prototype of the Filipino as Juan Tamad, his mouth forever open under a guava tree. When we first went to the provinces to organize we found in one really remote barrio a lot of yellow American lemons just rotting on the ground. We asked and we found out that the lemons were being bought from them for 40¢ a hundred!

GB: And here in Manila they're dying for lemons! At meron pala [and they are available]!

JVA: So the barrio folk just let the lemons fall. They claimed that the medicine you'd need for the gashes from the thorns of the tree would be even more expensive.

MO: So it needs more than brawn, or willingness. You've got to establish a structure. The government, the merchants, the NPA, one of us--has got to put up a structure!

JLS: Back to what you call immorality. It was something cultivated through the years. We had no chance to earn things through individual enterprise. Because free enterprise was closed to us since the influx of foreign monopoly capital, which is superior to whatever native enterprise one may have. That's why the Filipino goes into all this cheap profiteering.

NLC: That's the Red line! How ba would the Reds change these attitudes? It's not just a matter of saying, hey, guys mula ngayon wala no tayong nakawan, wala nang dilehensiyahan [from now on there will be no more robbery, no more bribery]. You'd literally have to have a purge. If you wanted say, to remove the multinationals you'd have to get rid of the ten guys on top. Or if you wanted to change the educational system the top 100 guys have to go and if you had to overhaul the BIR the next 10,000 guys. And then the Filipino kinship system ... lalakarin, gagapangin lahat 'yon [you will do everything to get rid of everyone]...who's going to get purged and who's not.

FCA: Obviously it's the system. You must see "morality" in the context of the social structure. If you change the basis of the structure the behavior will change--the overriding profit motive, the what's-in-it-for-me.

JLS: We'll have to depend a lot on the example of new leadership and its consistency. People will respond down the line if they see that they can accomplish things without the need of connections. Most people go through connections only as a last resort. The attitude now is everything is under-the-table. People feel that's the way things are done.

QA: You mustn't give up on the Filipino. We learn fast. It didn't take the Spaniards long to Christianize us. The Americans only sent a boatload of Thomasites and up to now everybody still swears by the U.S. way of life.

FCA: But the approach should be holistic, never divorce content from form. There can be no moral regeneration without the concomittant concrete organizing you must do in order to change people's attitudes.

MO: You mean teach-ins?

FCA: Definitely. Conscientization. Yon lang ang puedeng pang matagalan [It's the only thing that's feasible]. Otherwise we're back where we started.

RC: Like in Africa where the reigns of government were seized without the people being re-oriented, wala rin [It's useless].

FCA: Only deep change from within will last.

MO: Among the Left at least there's some attempt at changing people's attitude.

CL: I'm not convinced about the effectivity of the moderate opposition's appeal to Christian values, to innate goodness. Maybe I'd personally trust you, Jun, or you, Cesar, to give your employees a fair deal. But not everyone. In fact not most. Even with the best of intentions, faced with competition, with the prospect of going under, a manager will do what he's expected to do.

GB: Which is?

CL: Stay competitive. Depress wages! Lay off workers! Defer paying your suppliers! Force a discount! You've got to make a profit otherwise you're a lousy manager.

MO: It's the capitalist system that creates the drive towards dishonesty. Towards being hard.

GB: I wonder if there's another way. The moderates have never been able to concretize their stand. The Left is clear about theirs. It's an alternative at least to Macoy and Doy.

WHO'S LEFT?

The word leftist, writes Leticia R. Constantino, originates from the European legislature seating the majority party on the right side of the hall and the minority on the left. They were therefore identified as "the party of the right" and "the party of the left." Since majority parties are usually pro-status quo, hence conservative, the word rightist is today synonymous with conservative. Since minority parties usually espouse change, leftist is now synonymous with radical or subversive.

In the Philippines the leftist gang is called the National Democratic Front. Like *Gabriela*, the NDF or ND (as everyone calls it) is an umbrella organization composed of groups varying from left-of-center to extreme left. The NDF, by their own count, is only 20% card-carrying communist (members of the Communist Party of the Philippines). The rest are militant church workers, labor groups, teachers' groups, Muslims and tribal minorities. The CPP however, is the dominant group in it since they are the most organized and the longest in the struggle. Their army is the NPA. The legal organization of the National Democratic Front is called BAYAN.

PHILIPPINES

MARCOS ORDERS ESTATE TAX COLLECTION STUDY

Quezon City ANG PAHAYAGANG MALAYA in English 31 Jul 85 pp 1, 6

[Text]

President Marcos yesterday ordered a further study of a proposal of the Bureau of Internal Revenue to allow revenue collectors to examine bank deposits to improve and facilitate the collection of estate taxes.

The President asked BIR Commissioner Ruben Ancheta to study carefully the implications of the proposed measure, particularly on the law protecting the secrecy of bank deposits.

"A study should now be made on the power to examine bank deposits immediately after the death of a depositor for the payment of estate taxes due," the President said during the BIR conference held at Malacanang.

The President said that a law enabling the BIR to examine bank deposits for estate tax purposes would "strengthen our legal position" in such cases.

For this purpose, the President said, only the bank accounts of a deceased depositor may be scrutinized solely for tax payment purposes.

Other bank deposits will remain within the protective mantle of the bank deposits secrecy law.

During the meeting, the President also ordered the following:

- Establishment of a label, trust fund for the printing and distribution of internal revenue labels.

- Approval of a request of the Development Bank of the Philippines to sell to the BIR 225.2 square meters

of office space in Puerto Princesa on a no-cash-out DBP tax linkage basis; and the purchase of two floors of the PNB Atrium in Makati also on a no-cash-out basis for use of the BIR.

- Approval of a contract prize adjustment of P1,218,534.36 for the BIR computer building; and approval of P3 million for the BIR building computer standby generator set.

- The appointment of Pio Natividad as regional director for Cotabato City.

- Exemption from the requirement that BIR vehicles be marked "For Official Use Only" for intelligence and security reasons.

PHILIPPINES

PAPER ON OPLE'S 'INDEPENDENT' NATIONAL SECURITY PROPOSAL

Quezon City ANG PAHAYAGANG MALAYA in English 31 Jul 85 p 4

[Editorial: "A New Foreign Policy Thrust"]

[Text]

There are cogent and valid reasons why the proposal of Labor Minister Blas Ople for a more independent national security policy which may include a non-aggression pact with Soviet Russia and the People's Republic of China should merit serious study and consideration by the Batasang Pambansa and the administration.

Since the grant of our so-called independence and even before that, the country has always ridden on the coat-tails of the United States, giving rise to the "brown brother" connotation that earned much opprobrium and censure from staunch nationalists and even foreigners. For a time, one felt nothing wrong in the setup; America seemed to have everything to offer her backwater ward except, perhaps, its national dignity. But being independent carries with it grave and far-reaching responsibilities, too. It is in this light that Mr. Ople's proposal assume added significance, if not an urgency.

"Posterity," he said, "will not forgive a government that will fail to rectify the inequities in the agreements between the US and the Philippines." The statement more than implied the necessity of reviewing the present bilateral security and military agreements, which include the bases pact, between the two countries; it is also to be the springboard for the Philippines to begin charting a new national security thrust which will have for its underpinnings the policy of lessened dependence on the US. The bases agreement, incidentally, is up for review three years from now.

How the bases accord negotiations in 1988 will affect the Philippines and the US will depend much on the present imponderables that govern the relationship between the two countries. In the meantime, it might do the country a lot of good and generate equally a lot of goodwill if we started initiating security ties with members of the Association of Southeast Asian Nations (ASEAN) namely, Indonesia, Malaysia, Thailand, Singapore, and Brunei.

This could be a logical offshoot of the over-all foreign policy review the Philippines should undertake soon. Not only is our interest more to be served in having closer ties with our Asian neighbors, but it would also show the world that independence had, at long last, become a living reality for the nation.

PHILIPPINES

SOUTH COTABATO TRIBE 'SURRENDERS' IN LAND FIGHT

Quezon City ANG PAHAYAGANG MALAYA in English 31 Jul 85 p 9

[Text]

— Some 300 T'boli tribal Filipinos are now encamped within the premises of the Surallah Municipal Hall, some 80 kilometers from this city in what their tribal leaders described as an act of "voluntary surrender," after the municipal circuit court issued warrants of arrests for 174 vocal members of the tribe.

The tribals also staged a boycott demonstration July 5, in defiance of the court's trial of contempt charges against the arrested leaders.

The case stemmed from the refusal of the T'bolis to be ejected from their ancestral territory, a timberland area, claimed by a large cattle ranch as part of its pasture lease in Laconon, T'boli, South Cotabato.

T'boli tribal chieftain Marcus Lambong, recognized leader of some 3,000 tribal families, said that the "mass surrender" was the first of its kind in the tribes' history. He explained that it was resorted to by the tribe to draw public attention to their plight, and to avoid further harassments from the military and the armed men allegedly employed by Ansa Farms,

a cattle ranch owned by Anonio Nocom, a Chinese businessman.

Carrying placards which assailed municipal judge Arturo Peralta for treating them like criminals, the tribals said they refused to appear in court last July 5, because they believe they are not guilty.

"Are cows more valuable than humans?" the tribal leaders stated in the mimeographed leaflets they distributed during their demonstration.

Last June 28, elements of the Philippine Constabulary hauled off some 17 tribal leaders. The group was part of some 174 T'bolis issued warrants of arrest by the court.

Tribesmen included in the warrants did not wait for the arresting officers but instead, went downhill that same day and "surrendered" along with their wives and children. Police authorities, however, denied their request after their ranks have swollen to some 500.

The 17 imprisoned minority leaders were later released under the custody of human rights lawyer Johnny Landero.

Tribal elders interviewed by the Tribal Filipino Commission

revealed that sometime in 1962, five T'boli datu were invited to Manila and given special treatment for some unknown reasons. It was there, they said, that they were made to sign "some papers" while under the influence of liquor.

The businessman whom they said asked their permission to lease their lands, promised each family within the area, one calf a year. This promise, they said, was never implemented.

The mystery deepened a few weeks later when truckloads of cattle and barbed wires were unloaded. Armed men told them they were ordered to drive the T'boli families out of the territory.

Those who refused to leave the place saw their houses mowed down by heavy equipment, while others were razed to the ground.

T'boli municipal mayor Mai Tuan, visited them once and gave them one sack of rice.

"After that," the leaders said, "Mai Tuan was not seen again."

Subsisting on a sack of rice daily rationed by the MSSD, poor nutrition, disease and other ailments affected the adult men, women and children alike. E. Mercurio

PHILIPPINES

MILITANT PEASANT GROUPS HIT IRRI

Quezon City ANG PAHAYAGANG MALAYA in English 31 Jul 85 p 9

[Article: "'Genetic Imperialism' Scored"; "Scrap IRRI, Farmers Urge"]

[Text]

Militant peasant groups are urging the government to scrap the International Rice Research Institute for alleged economic sabotage by its alien officials and donors for spawning "genetic imperialism."

The Kilusang Magbubukid sa Pilipinas (KMP) and the participants of the Bahanggunian ng mga Isyu sa Bigas (BIGAS), in separate resolutions last week, asked.

The government to terminate its 1959 contract with IRRI and establish a "truly Filipino and nationalist" rice research center.

IRRI technology completely "hooked" farmers to heavy doses of imported petrochemical inputs which, for the last 25 years, have been slowly acculturizing Filipino farmers towards the benefits of purely western technologies and altering the inherent nature of our soils, charged Dr. Burton Onate, ex-IRRI statistician and now a leading figure behind Bigas and KMP.

Bigas was a "national consultation" of farmers and their supporters held two weeks ago at the University of the Philippines in Los Banos, Laguna.

KMP, which is headed by newly-elected president Jaime Tadeo of the Alyansa ng Magsasaka sa Gitnang Luzon (AMGL), is a militant peasant alliance formed last week during the First National Peasant Congress at the Claret School in Diliman, Quezon City.

Both groups are being steered by pro-farmers groups, including the Forum for Rural Concerns, Philippine Peasant Institute, Agency for Community Education Services and the Multi-Sectoral Forum of UPLB.

The KMP, in its first

resolution, urged the government to "eject" IRRI and other foreign institutions now controlling farm research and technology in the country.

A Bigas manifesto proposed, on the other hand, the setting up of a "truly Filipino and nationalist rice research institute."

It said this national institute must initiate a nationwide inventory of available traditional rice varieties and focus on palay strains which do not use imported inputs.

The institute must also be administered by "well-informed nationalist scientists" who shall conduct experiments on organic farming and refuse foreign or local fundings that "carry unfavorable terms or conditions."

"IRRI seeds and technology have not improved the quality of life of the poor rice farmers," Onate, who heads an emerging group of disgruntled UPLB professors who helped organize Bigas, said in a recent study. "Most of the inputs used in the rice industry are imported from transnationals who are in turn financiers of IRRI," he added.

Calling the IRRI seed-fertilizer technology a "threat to national security," Onate asked the Batasan Pambansa to charge IRRI and its financiers for the "tremendous harm done to our people and ecology."

The Securities and Exchange Commission should also cancel IRRI's registration as a private corporation since it is not "philanthropic" but a "profit-making entity disguised as an international research institution," he added.

"Genetic imperialism is the latest tool being used by the developed countries to control (or sabotage) the economy of the Third World, sometimes with the witting consent of some developing country leaders," Onate said.

IRRI has been able to amass crop genetic materials in its sophisticated Germ Plasm Bank, resulting in the production of hybrid varieties by multinational agribusiness firms which, he explained, also produce expensive farm inputs needed to maximize palay yields.

Proof of IRRI's failure, he cited, is the country's low level of rice production despite 25 years of IRRI seeds and technology. (Records show that the country's average yield of less than 2.5 metric tons or 50 cavans per hectare in 1984 was lower than the three-ton average of most other Asian countries.)

Excessive application of fertilizers and insecticides is altering the inherent chemical and physical nature and the micro-biological properties of Philippine soils, Onate bewailed, thus requiring tremendous efforts to restore these soils back to their "pre-IRRI state."

He warned that aside from breeding more virulent biotypes of insects, the petrochemical inputs required by the IRRI technology are only in "small doses but (cause) slow death to millions of poor rice farmers."

However, Dr. Mokumbi Swaminathan, the Indian director-general of IRRI, told Malaya earlier that the institute had been conducting experiments on organic fertilizer-substitutes like the azolla plant since 1972 but has yet to come up with a favorable findings to encourage such use.

Describing such statements as "developmental dishonesty," Onate countered that IRRI is not developing organic farming and the biological control of crops since these could eventually be major competitors of the chemical inputs produced by its donor agribusiness firms.

A strong political will from the Batasan Pambansa is needed to stop the inroads of "genetic imperialism," wake up the Filipino scientists from their slumber, and provide direction for long term plans for the production of seeds and biological inputs controlled by Filipinos, he stressed.

PHILIPPINES

CUSTOMS STILL AWAITING BENEDICTO SUGAR EXPORT TAXES

Makati MR.&MS. in English 19-25 Jul 85 pp 16, 17

[Article by Jose Ma. Nolasco: "Farolan Asks (for the 3d Time) Benedicto To Pay P1-Billion Export Tax"]

[Text] NOT only have the President's cronies drained the country of its precious dollars through their heavy investments in real estate abroad, some of them have also deprived the government of much-needed revenues through their continued non-payment of huge tax obligations here.

Take, for instance, Ambassador Roberto S. Benedicto, the President's confidante, golfing partner, and fraternity brother. He owes the Bureau of Customs P1.1 billion in export taxes.

Customs Commissioner Ramon J. Farolan a fortnight ago demanded anew from the sugar czar that he settle his tax obligations. Otherwise, Farolan warned in his letter, the Bureau will be "constrained to take legal action". It was the third time the Bureau had formally demanded payment from Benedicto the past two years or so.

For one reason or the other, however, the tax debt remains outstanding. Ironically, the back taxes piled up all through the years Benedicto, chairman of the Philippine Sugar Commission, was making a killing in the sale of sugar to foreign countries through his trading outfit, the National Sugar Trading Corp. The defunct NASUTRA had then

enjoyed full monopoly rights in sugar trading here and abroad. While world sugar prices had plummeted to 5-7 U.S. cents a pound, NASUTRA had managed to sell sugar in the international markets at more than 20 U.S. cents a pound until 1984 through its long-term contracts.

A few months back, NASUTRA was finally abolished and replaced by the Philippine Sugar Marketing Association by virtue of a decree President Marcos issued in response to the widespread clamor of sugar planters, millers, and workers. According to them, industry losses had reached more than P10 billion due to what they claimed were NASUTRA's anomalous buying and selling practices.

Still, the customs bureau is holding the newly-established PHILSUMA accountable for the export tax liabilities incurred by its corporate predecessor, NASUTRA. Benedicto won unopposed the chairmanship of PHILSUMA in a controversy-marred election last May 18.

Customs Commissioner Farolan is keeping his fingers crossed Benedicto will settle NASUTRA's tax liabilities in view of the low collection on customs duties being experienced by the bureau this

year. The bureau has been originally assigned a collection target of ₱25 billion by the finance ministry to support this year's government budget. Due to the business slump, however, the target has been pruned down to a "realistic" ₱20 billion. Even so, Farolan has slightly fallen short of his collection target the first seven months this year — something unheard of in his eight-year stint as acting customs commissioner.

The customs bureau is likewise being pressured by the International Monetary Fund and the World Bank to keep up its collection drive. The IMF-WB has expressed concern over the non-tapping of revenue sources from flourishing corporations headed by people close to the President, like Benedicto. The IMF-WB had tacitly imposed as a condition for extending a recent \$600-million rescue loan package to the Philippine government for the latter to minimize its budgetary deficit.

Should the Philippine government slacken on its generation of revenues from existing sources, the IMF-WB reckoned it will again have to resort to unpalatable courses of action to finance its budgetary deficit: borrow more from abroad or impose more taxes on the people. The contracting of more loans from abroad by the Philippine government is something the IMF-WB would not be too happy about, considering that the country is already well up to its neck in debts. The imposition of more taxes is something, too, the people will not welcome, considering the recessionary times. Both government measures can only contribute to further political and economic instability.

As if collecting from Benedicto is not already a too formidable task, the customs bureau is also faced with the problem of collecting from the other cronies. Or,

more precisely, the ex-cronies. Ricardo C. Silverio, Sr., the erstwhile auto industrialist, has yet to settle his account with the Bureau of Customs to the tune of ₱190 million. Delta Motor Corp., the country's biggest car company which Silverio formerly headed, owes the Bureau ₱101 million.

Silverio and his auto firm incurred these delinquent accounts while operating customs bonded warehouses. In other words, Silverio and his company were allowed to import machinery, equipment, and other goods without paying the corresponding duties and taxes.

Silverio has fallen from grace, and is now in Daly City, California managing his real estate business. The government has taken over the debt-ridden Delta Motor Corp. Still, the debts he and his company owe the government remain unsettled.

Another ex-crony with an unsettled account is Herminio C. Disini, a cousin-in-law of Ms. Imelda R. Marcos. Disini's Philippine Tobacco Filters Co., which had once monopolized the manufacture of cigarette filters here, owes ₱29 million. Disini is now living in his castle in Vienna, Austria. He, too, has fled the country and his companies belonging to the Herdis conglomerate have been turned over to the government.

Other big, textile companies have followed their example with respect to evasion of customs duties and taxes. Together with the ex-cronies, these customs bonded warehouse operators owe the bureau a total of ₱1.3 billion. The bureau recently filed collection suits.

Customs Commissioner Farolan would not say whether the so-called cronies — past or incumbent — have refused to pay the taxes by virtue of their close connections with the President. They may have taken things for granted, he said.

PHILIPPINES

OFFICIAL SEEN RESPONSIBLE FOR ILLEGAL LOGGING

HK301501 Manila BULLETIN TODAY in English 29 Aug 85 p 8

[Text] A government official has been tagged as responsible for illegal logging in Occidental Mindoro, government sources disclosed yesterday.

The official, whose identity was withheld pending the filing of charges against him, was named in an investigation report submitted to Bureau of Forest Development (BFD) Region IV Director Bernardo C. Agaloos by a BFD team.

Noel Castorillo, an official of the Office of Media Affairs in Occidental Mindoro, said the fact-finding team was headed by forester Isabelo G. Gonzales. The team named the official as the one who gave the go-signal to Interlink Timber [ITI] to continue its logging operations despite the firm's expired special permit to haul old cut logs.

In its report, the team said personnel of the BFD district in Mamburao, capital town of Occidental Mindoro, who were called upon by the team to shed light on the alleged illegal logging in Mamburao, Paluan, and Sta. Cruz, all in Occidental Mindoro, said they could not do anything about the illegal logging because of the intervention of a government official of the province." [Quotation marks as published]

The official was reported to have gotten the "verbal approval" of BFD Director Edmundo Cortes to extend ITI's special permit. Cortes, however, denied giving such approval.

"It is not only violative of my policies to give verbal approval but to do this would be a clear violation of my oath of office," Cortes said.

Cortes vowed to conduct a deeper investigation on the reported illegal logging activities of the ITI and said he will institute legal actions against those involved if evidence warrants.

CSO: 4200/1485

PHILIPPINES

RAMOS SAYS URBAN TERRORISTS ALREADY IN SOME AREAS

HK301411 Manila BULLETIN TODAY in English 29 Aug 85 p 10

[Text] Lt Gen Fidel V. Ramos, acting AFP [Armed Forces of the Philippines] chief of staff, said that urban terrorists have entered already some areas and organized clandestine operational cells.

The urban terrorists, Ramos said, work quietly and are very difficult to detect.

Ramos spoke before members of the Sigma Delta Phi alumnae association during a luncheon meeting at the Sheraton hotel Tuesday. The association is headed by Betty Go Belmonte.

Ramos said the urban terrorists are engaged in sabotage, arson and assassination, and are somewhat nomadic with no specific target territories or well-defined bases or objectives.

"Their only aim is to erode the morale and spirit of the community, and thereby weaken its democratic institutions, through a relentless campaign of selective violence," he said.

Ramos, who is also Constabulary chief and director general of the Integrated National Police, said that terrorists have slowly entered some urban centers through the years. While they have not emerged as a serious problem in other larger cities, they must be closely studied and guarded against by the people, he added.

Ramos said the government alone cannot effectively preempt the growth of terrorism or other forms of lawlessness in the country.

The government programs for the uplift of the community and the preservation of peace and order are anchored on the primacy of civilian participation and responsibility," [quotation marks as published] he said.

He said, "The most effective measures against crime and disorder do not spring from police or military action alone, but from the social and economic programs that engender upliftment, prosperity, and contentment."

Ramos called upon the association and other women's groups "to avail of the potent force of unity to maintain the value of obedience to the rule of law and utilize their purposive capabilities to attain the ideals not only of simple justice, but of social justice."

PHILIPPINES

HELICOPTERS SUPPORT TROOPS IN CLASH WITH REBELS

HK301425 Manila BULLETIN TODAY in English 30 Aug 85 p 14

[Text] Magpet, Cotabato--Some 50 army troopers and Civilian Home Defense Force (CHDF) members--backed up by two helicopters, an amphibian tank and an army commando car--battled some 100 heavily armed rebels at sitio San Roque, barangay Amabel, six kilometers from the town proper since yesterday morning.

Col Moises Tolenada, commanding officer of the 25th Infantry Battalion, said that the encounter started at 9:30 am after a civilian reported the presence of the rebels in the area.

The clash, which was still going at presstime, has resulted in the wounding of two army soldiers and an undetermined number of rebels.

The wounded army soldiers were identified at Lt Sumalangcap Casidar, team leader of the Alpha company who was hit in the right thigh and Cpl Gavino Santos who sustained body wounds.

Lt Salvador Calanoy, who led another army team, was trying to reach high ground at 4 pm but met with heavy fire from the enemy, sources said.

The arrival of the helicopters from Awang Airport helped the army troopers maneuver and put the enemy on the defensive.

The amphibian tank and the commando car, both equipped with high-powered guns, were trying to penetrate the mountainous terrain toward the enemy position.

Another group of troopers led by Maj Eduardo Santiago, commanding officer of the 27th Infantry Battalion, and some CHDF elements were reported closing on the enemy position in an undisclosed area.

CSO: 4200/1485

PHILIPPINES

MILITARY CAPTURES PAMPANGA NPA 'HIT MAN'

HK301403 Manila METRO MANILA TIMES in English 29 Aug 85 pp 1-2

[Text] San Fernando, Pampanga--Military and police operatives yesterday captured "the most elusive and dreaded hit man" of the New People's Army (NPA) in a commando raid in Angeles City.

Captured was Roberto Antonio who was one of those allegedly responsible for the killing of Sta. Ana (Pampanga) Mayor Magno Maniago last December 16 and 14 other people, including four Pampanga policemen.

He was arrested in his hideout in Sitio Pulong Maragul, Barangay Maligaya.

Antonio, described by the military as leader of a liquidation squad of the NPA in Pampanga, was surprised by operatives of the Angeles City Metropolitan District Command (Metrodiscom) while having lunch with three of his henchmen who were also arrested.

Col Lorenzo Rapanan, Central Luzon PC-INP [Philippine Constabulary-Integrated National Police] regional commander, identified the three as Remigio David, 34, Jesus Valencia, 41, and Ponciano Valencia, 30.

Rapanan said the captured terrorists were held at the Metrodiscom Headquarters in the city for interrogation.

The raiders seized a .38 caliber revolver, one hand grenade, one portable typewriter, several rounds of ammunition and subversive documents.

Rapanan said Antonio's liquidation squad was also responsible for the killing of five members of the Civilian Home Defense Forces (CHDF) in Pampanga.

CSO: 4200/1485

PHILIPPINES

MANILA LAGS BEHIND IN USING OFFICIAL CREDITS

HK020819 Manila METRO MANILA TIMES in English 31 Aug 85 pp 12, 11

[Text] Prime Minister Cesar Virata said recently the country used up only less than a third of official credits this year amounting to just over \$790 million.

Unless the country uses up at least 75 percent of these credits, new releases from the \$925-million new money facility pledged by foreign banks will be held.

The low availment of official credits has given the government and its foreign creditors--particularly World Bank [WB], International Monetary Fund, the United States, West Germany, Australia, and Japan--a "major headache."

During last month's Consultative Group meeting in Japan sponsored by the WB, it was revealed that the problem of low availment was due to the government's failure to put up counterpart funds.

Official documents stated: "It was recognized that some of the difficulties experienced in finding counterpart resources to complement foreign financing in spite of the government's planning efforts, were due to the volatility of the budget situation within an overall constraint on the level of borrowing under the stand-by arrangements."

To partly solve the problem, the government has asked its official creditors to be "more flexible" in allowing availments at this time when the government is hard put in raising counterpart funds.

Without this flexibility, the country will not be able to meet its scheduled drawings by November.

Official creditors are now trying to relax their counterpart requirements. West Germany has started reprogramming some of its projects and has absorbed even the local costs of projects it partly finances while the U.S. has made available a portion of the Economic Support Fund for counterpart funding.

The World Bank has also raised its reimbursable amounts from the old level of 60 percent to 80 percent.

But more flexibility is still needed on the part of donor countries and the multilateral institutions.

If by November availment is short of target, the country will not be able to get the last drawdown of the new money facility.

The first tranche of \$400 million was released early this month shortly after the release of the second tranche of \$109 million from the IMF's standby facility.

The second tranche of \$175 million from the new money facility is scheduled to be released next week while the third tranche of \$350 million is scheduled for release on November 2.

These tranches, particularly the third tranche will be held back by the creditors if the availment of official credits is below target on the ground that the country does not need the new money because of the availability of official credits.

Virata and the country's creditors have been trying to increase the availment of official credits to prime the economy.

For one, without availments, projects will be delayed.

In view of the counterpart limitations, the government is also making sure funding is accessible to priority projects.

CSO: 4200/1485

PHILIPPINES

MARCOS ORDERS INVESTIGATION OF JOURNALIST SLAYINGS

HK310041 Manila Far East Broadcasting Company in English 2300 GMT 30 Aug 85

[Text] President Marcos has taken a direct hand in the investigation of 22 slain and missing newsmen, as he ordered the creation of a special probe panel composed of top military lawyers and intelligence officers, officials of the Ministry of Justice, and those of his own office. The president issued the order upon being presented by a delegation from the National Press Club with an open letter signed by about 500 members seeking the chief executive's intervention in the investigation of the newspapermen's slaying.

At the same time the president instructed the newly-formed probe panel to ask relatives of the victims to come forward and provide information that the investigators could use in the speedy arrest of the suspects. The president told the panel to provide all necessary protection, including personal security, to the relatives of the victims and other witnesses.

Some 30 working mediamen in Tacloban City yesterday met with ranking constabulary officials to forge an agreement for security of newsmen and to establish a better working relationship with the military establishment. In a meeting held at the PC-INP [Philippine Constabulary-Integrated National Police] Regional Command 8 headquarters, Colonel Jose Lopez asked the mediamen to institute measures which will ensure balanced and objective reporting of events. He told the newsmen to report to his command any incident of military abuses, and suggestions on how the constabulary and the police could be of better service to the people.

Hundreds of journalists from over 30 media outlets will hold a march, rally, and vigil for press freedom today [31 August]. The march and rally marks the 135th birth anniversary of Filipino revolutionary and journalist Marcelo del Pilar. The mass action is intended to urge for more serious action on the series of killings of 22 newsmen in the past 5 years, 10 of which occurred this year alone.

CSO: 4200/1485

PHILIPPINES

GOVERNMENT SOURCES CITED ON PHILIPPINE NATIONAL BANK LOSSES

HK021536 Manila BUSINESS DAY in English 2 Sep 85 p 13

[Text] Philippine National Bank [PNB] suffered a net loss of p3.3 billion for the first half of the year, BUSINESS DAY sources in government said.

PNB records show a loss of p1.1 billion for 1984, but the sources say the state-owned bank's actual loss "on a cash basis" last year was p4.039 billion.

Certain loans which PNB gave to government entities were not being paid, the sources noted. Also, based on the "cash basis" method of determining the bank's bottom-line figures, PNB's cash deficits for the first six months of the year amounted to p3.6 billion, p300 million more than the p3.3-billion loss that will appear in its balance sheet.

The p3.3-billion loss for the first six months of the year indicate the PNB's in the second quarter of year is getting to be worse. Its reported losses in the first quarter amounted to only p1.1 billion.

The Central Bank actually had already given the PNB the authority to "book" losses on its nonperforming loans amounting to p4.8 billion over a period of 20 years, which means that the PNB would be automatically posting a loss of p240 million each year.

PNB so far has been unable to dispose of the major companies that it foreclosed, which include Delta Motor Co., Philippine National Construction Corp. (formerly CDCP), Marinduque Mining and Industrial Corp. (now known as Nonoc Mining), and several sugar centrals.

CSO: 4200/1486

PHILIPPINES

FOREIGN INVESTMENTS RANKED, PROFILED

HK021542 Manila BULLETIN TODAY in English 2 Sep 85 p 23

[Text] American citizens put in a total of P1.71 billion in the Philippines last year to remain the biggest foreign investors in the country, according to the Board of Investments (BOI).

In its annual report, the BOI said American investors accounted for 43.8 percent of total foreign investments in 1984 which totalled P3.9 billion.

The Japanese followed with P568.12 million, the Dutch were third with P456.13 million and Hong Kong nationals fourth with P168.39 million, the BOI said.

The board said Filipinos contributed P2.21 billion or 36 percent of the total approved equity investments of P6.11 billion last year.

It said a total of P1.26 billion or 57 percent of Filipino investments were made in joint-venture projects with foreigners. Another P952.37 million was invested in wholly owned projects.

According to the board, the bulk of the P6.11 billion equity investments last year went into manufacturing activities which accounted for P4.73 billion of total investments.

The agriculture sector came in second with P438.68 million and the commerce sector was third with P237 million.

The BOI said that last year, it approved a total of 412 projects, of which 220 were with incentives and 192 were approved without incentives.

CSO: 4200/1486

PHILIPPINES

NPA GUERRILLAS ATTACK RUBBER PLANT, GOVERNMENT TRUCKS

HK031531 Hong Kong AFP in English 1528 GMT 3 Sep 85

[Text] Manila, Sep 3 (AFP)--Communist guerrillas in the southern Philippine island of Mindanao have razed rubber processing plant and killed at least two people, reports said today.

The PHILIPPINE NEWS AGENCY (PNA) said that New People's Army (NPA) guerrillas had burned the plant in Makilala Town, north Cotabato Province, after its manager refused the guerrillas' demand that he pay "tax."

The plant contained machinery and unprocessed rubber latex, PNA said.

PNA also said the NPA, the military wing of the banned Communist Party of the Philippines, had executed a farmer suspected of being a government informer on Thursday in a village near Kolambugan Town.

In the southern province of Misamis Oriental, meanwhile, military sources said an NPA band today ambushed two government trucks ferrying civilians fleeing rebel operations near Manticao Town, 745 kilometers (447 miles) southeast of here.

The sources said a government foreman was killed in the attack, but they could not say if there were other casualties.

CSO: 4200/1486

PHILIPPINES

BRIEFS

MILITARY BARES 'DUBIOUS' ORGANIZATION--The Philippine military has bared the existence of a dubious and potentially dangerous organization calling itself the ASEAN Army Command. The Philippines acting armed forces chief of staff, Lieutenant General Fidel Ramos, issued a statement to warn the general public of the existence of such an organization. Gen Ramos said the Foreign Minister, Pacifico Castro, had written him requesting information about the command. In his letter the Philippines acting foreign minister said this is a contravention of the purposes and objectives of the ASEAN, which groups the countries of Brunei, Indonesia, Malaysia, Philippines, Singapore, and Thailand. Gen Ramos told Foreign Minister Castro the command is a dubious organization engaged in swindling, illegal recruitment, and misrepresentation, based on the results of the investigation conducted by the PC-INP [Philippine Constabulary-Integrated National Police] criminal investigation service. [Text] [Manila Far East Broadcasting Company in English 0230 GMT 1 Sep 85 HK]

PRESS FREEDOM DAY 'PROTEST, FEAR'--In the Philippines, newsmen yesterday celebrated press freedom day amid a sombre climate of protest and fear that followed a series of killings and harassments against colleagues in the fourth estate. Capping the celebration of press freedom week that accented various issues confronting the Philippine press were mass actions that dramatized the present plight of Filipino journalists. A motorcade of about 30 vehicles fetched colleagues in media outfits in Metro Manila. Then they began a torch parade within the media belt. A coffin symbolizing the death of press freedom illumined the torch parade. It was contributed by the foreign correspondents' clubs of the Philippines. An overnight vigil for press freedom followed at the National Press Club grounds, where a makeshift stage for entertainment, exchanges of ideas, and some with their fiery speeches originated [sentence as heard]. The issues tackled during the week ranged from threats to harassments. [Text] [Manila Far East Broadcasting Company in English 0230 GMT 1 Sep 85 HK]

GROUPS PROPOSE NEW ELECTIONS MANPOWER--Non-partisan groups yesterday proposed the harnessing of government officials and first grade eligibles for electoral duties. The proposal would enable the government to widen the base of competent, intelligent, and non-political manpower for electoral duties and release teachers and others for compulsory service at the polls. The proposal was made separately and independently by Doctor Demetrio Quirino, who is the president of the Philippine Association for Technological Association, and by Efren Arichea and Juan Alegre of the Fourth Estate Community Home Owners

Association. The proposals were made in reaction to the teachers' appeal, voiced by Education Minister Jaime Laya, that their election services be made optional. The teachers complained about the risks that are too high and the great sacrifice involved and the low pay for their election services. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 1 Sep 85 HK]

AID FOR NEGROS SUGAR WORKERS--The International Labor Organization is said to release shortly a \$1.5 million emergency aid package for displaced sugar workers in the two Negros provinces. Labor Ministry Regional Director Lizardo Baterbona said the amount is part of a \$5 million ILO package spread out over 3 years. Baterbona said the remaining \$3.5 million will be released starting next year. Negros, the country's sugar-bowl, has been hard hit by low world prices and high production costs of sugar, forcing planters to drastically cut production. [Text] [Quezon City Maharlika Broadcasting System in English 0400 GMT 2 Sep 85 HK]

MARCCS ORDERS EXECUTION--Manila, Aug 31 (AFP)--Philippine President Ferdinand Marcos has ordered the execution by firing squad of the convicted killer of a presidential aide, a newspaper reported here today. The METRO MANILA TIMES newspaper said Mr Marcos had approved Thursday the death sentence on Paulino Arceo. A military court sentenced him to execution by firing squad in 1976, a year after Mr Marcos' special assistant Guillermo De Vega was killed. The daily said Mr Arceo would be executed at the national penitentiary in suburban Munitinlupa Town south of here, but did not state the date of the execution. A presidential palace spokesman told AGENCE FRANCE-PRESSE the report came from the presidential assistant for military affairs, but declined to comment on the case. Mr De Vega was shot dead at his office inside Malacanang presidential palace on October 27, 1975. Mr Arceo, who was arrested by palace guards near the scene moments after the shooting, denied killing Mr De Vega. [Text] [Hong Kong AFP in English 0750 GMT 31 Aug 85 HK]

1986 INDUSTRIAL OUTPUT--Prime Minister Cesar Virata is optimistic that there will be increased productivity in the industrial sector next year. Mr Virata attributed this optimism to the continuing decline in the number of labor-management disputes. The prime minister cited a report made by Labor Minister Blas Ople that the tripartite councils set up in sensitive industrial sectors have expeditiously resolved labor-management problems. The finance minister however did not cite a specific number of labor-management problems. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 30 Aug 85 HK]

BILL TO PROTECT SCABS--A bill proposing to authorize business firms to hire temporary employees during periods of strike was filed yesterday in the Batasang Pambansa by a member of the ruling party. In his explanatory note to parliamentary bill 6574, MP Wenceslao R. Lagumbay of Laguna said the constitution provides for equal protection of both labor and capital. "It is therefore necessary to allow the business establishment which is affected by a strike to continue in operation by allowing it to employ new and temporary employees so that when the strike ends, the business firm would still be financially able to fill the demands of the strikers," he said. [Excerpt] [Quezon City ANG PAHAYAGANG MALAYA in English 31 Jul 85 pp 1, 6]

THAILAND

EDITORIAL CRITICIZES SECRECY ON RESHUFFLE LIST

BK311410 Bangkok NAO NA in Thai 30 Aug 85 p 4

[Editorial: "Secret for What?"]

[Text] This year's royal decree on the annual military reshuffle will be administered differently from those of past years. According to the traditional practice, after the prime minister countersigns the royal decree, he forwards it to the Defense Ministry. From the Defense Minister, the permanent secretary of the ministry distributes the decree to the units concerned for execution.

It has become customary for the Defense Ministry to distribute the reshuffle list to the state mass media agencies to inform the people. Normally, Radio Thailand and all television stations broadcast the royal decree.

However, this year the Defense Ministry has decided to abandon its routine practice. It will send the royal decree only to the units affected. In this connection, government spokesman Trairong Suwannakhiri said that his office formerly would have copies of the royal decree to distribute to the private news agencies, adding that the people have the right to know who is who in the Armed Forces and whether the newly-appointed officers fit their posts or not.

The government spokesman's view is reasonable. The three Armed Forces' personnel have the duty of defending the country. The people cannot be separated from the Armed Forces. Personalities holding certain positions in the Armed Forces can influence both directly and indirectly the people's way of life. Moreover, the three Armed Forces have to depend on the people's tax money.

There is no reason to keep the reshuffle confidential. The Armed Forces have to depend on the people, while the people cannot do without the Armed Forces. Reshuffles and appointments of officials are common in all government offices, provided they are made in accordance with the regulations and correct procedure.

Before the military reshuffle came this far, unfavorable speculation and much guess work about who will take this and that post has loomed because the responsible top brass behaved so mysteriously and avoided giving any clear information.

One of the weak points of underdeveloped countries is that they tend to attach significance to individuals rather than principle, which leads to nepotism, favoritism, and eventually corruption. Many countries are unable to extricate themselves from this vicious circle and thus become weaker.

We hope that what is happening this year will not happen next year. People in underdeveloped countries like to make simple things difficult and mysterious because they care for individual interests more than national interests.

CSO: 4207/285

THAILAND

GENERAL IDENTIFIES SRV, PRK FORCES ALONG BORDER

BK041428 Bangkok 1st Army Division Radio in Thai 2300 GMT 2 Sep 85

["Army Meets the People" program: Burapha Force Commander Major General San Siphon on the situation along the Thai-Cambodian border--live or recorded]

[Excerpt] Vietnamese troops succeeded in demolishing the eight encampments of the resistance forces opposite Prachin Buri Province during their major offensive operations from November last year to March of this year. As a result, our Burapha Force has since been confronting Vietnamese troops directly. Before, the eight encampments inside Cambodia served as our buffer. We are confronting two Vietnamese infantry divisions and one Heng Samrin division. The deployment of troops inside Cambodia is as follows: the 71st Infantry Regiment of the Heng Samrin regime is stationed opposite Dong Rak or Sanlo Cha-ngan Village, which is the northernmost part of the area under the responsibility of Burapha Force. The 75th Infantry Division [as heard] is placed next to the 71st Regiment, covering the area from Thmar Puok District to (Kouk Khmao) Village in the south of Phnum Chat inside Cambodia. The Vietnamese 9th Infantry Division is responsible for the area of Poipet District down to the area opposite our Non Sao-e Village. Next is the vicinity of Phum Thmei, which was an important Khmer Rouge area, guarded by the 6th Infantry Division of Heng Samrin. This is the place where Prince Sihanouk used to receive credentials from foreign ambassadors. It is situated opposite Thap Phrik and Nong Pru Villages. The southern area from Phnum Den to Phnum Ta Ngok is under the control of the 525th Regiment of the same 59th Division. This is how the Vietnamese troops are deployed along the border.

Due to heavy rains in late March and the current wet season, the areas inside Cambodia have been flooded, resulting in a decrease in the fighting along the border areas. Besides, the soldiers of the resistance factions have moved to operate deeper inside Cambodia. The Vietnamese troops have to worry about the areas behind them. Waterlogging and wet ground make vehicles useless. The Vietnamese troops have been suffering from ambushes and harassment by the resistance forces. This is why there has not been any border intrusion or border skirmishes lately.

CSO: 4207/285

THAILAND

'COMMUNIST UNITED FRONT' CALLED '88 ASIA' MORE ACTIVE

BK050943 Bangkok SIAM RAT in Thai 4 Sep 85 pp 1, 12

[Text] Police Colonel Warichai Suriyakun Na Ayutthaya, commander of the Border Patrol Police Area 2, recently disclosed that movements of the communist terrorists operating in the northeastern region have declined remarkable. The insurgents can only come out to meet the people, seek food supplies, and gather information about local authorities.

Pol Col Warichai also revealed that a communist united front, known as "88 Asia" group, has become more active lately. The group has recruited its members mostly from school teachers and former politicians in Yasothon Province. A member of parliament is believed to be a leading member of this group, which is reported to have maintained contacts with a former secretary general of the Communist Party of Thailand in Bangkok.

A military officer attached to the Internal Security Command told our correspondent that the "88 Asia" group is a pro-Soviet organ with its operational base in Laos. Occasionally, it sends its men to work in Thailand.

He said: "Its members might be operating in Thailand, but there are not many. I know nothing of the police claim that a northeastern MP has joined it. Association with the group can occur both intentionally and unintentionally."

The source disclosed that this new political group is still in the process of recruiting members.

CSO: 4207/285

THAILAND

BRIEFS

ARGENTINE AMBASSADOR PRESENTS CREDENTIALS--On 21 August his majesty the king separately received credentials from Argentinian Ambassador (Julio Barberis) and PRC Ambassador Zhang Dewei at Chitlada Palace. [Summary] [Bangkok Domestic Service in Thai 1300 GMT 21 Aug 85 BK]

ZINC EXPORT TO PRC--The PRC has become the biggest customer of Thai zinc, ordering 6,302 metric tons worth 155 million baht, from March to July this year. This accounts for 54 percent of overall zinc exports during the period. Next highest buyers were India and Bangladesh, buying 59.9 million baht and 26.4 million baht respectively. [Text] [Bangkok Voice of Free Asia in Thai 1030 GMT 21 Aug 85 BK]

MESSAGE TO SRV PRESIDENT--[2 September message from King Phumiphon Adunyadet to SRV president on SRV national day]--On the occasion of the National Day of the SRV, I convey my congratulations and good wishes for your good health and for the Vietnamese people's continued prosperity. [Text] [Bangkok Domestic Service in Thai 1300 GMT 2 Sep 85 BK]

MALAYSIAN ARMED FORCES CHIEF--At 0900 at Government House General Tan Sri Mohamed Ghazali Seth, chief of the Malaysian Armed Forces, who is on a visit to Thailand from 3-4 September, paid a courtesy call on Prime Minister and Defense Minister Gen Prem Tinsulanon. They discussed fine military and other forms of cooperation between Thailand and Malaysia. The prime minister thanked the Malaysian Government for multifarm cooperation and expressed the hope that Thai-Malaysian cooperation will continue to develop. [Text] [Bangkok Domestic Service in Thai 1300 GMT 4 Sep 85 BK]

CSO: 4207/285

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK URGES VIETNAM TO PRODUCE 'DEEDS, NOT WORDS'

BK301030 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
29 Aug 85

[Station Commentary: "The World Knows That Whether the Hanoi Vietnamese Enemy Aggressors Change or Do Not Change Their Aggressive and Expansionist Stand Depends on Deeds, Not Words"]

[Text] U.S. Ambassador to the United Nations Vernon Walters told reporters in Bangkok that he does not believe the declaration on troop withdrawal made recently by the Hanoi Vietnamese foreign minister, Nguyen Co Thach. He said that Vietnam must show its intent rather than making empty promises.

This view of the U.S. ambassador is shared by international opinion. It is a serious blow to the Le Duan Vietnamese enemy aggressors who are very tricky. The world community does not need the Le Duan enemy's lies and tricks, but it does want the Vietnamese to take concrete action. This opinion of the international community is very correct. Nobody can believe the tricky promises by the Le Duan Vietnamese enemy aggressors, who have shown their aggressive and expansionist strategy in this region by swallowing Cambodia and Laos, including them in Vietnam, and founding the Indochina Federation under their domination. They plan to use the Indochina Federation as a springboard to pursue their aggression and expansion in southeast Asia in accordance with their own regional aggressive and expansionist strategy and the global aggressive and expansionist strategy of their Soviet boss. So far there is no sign that the Vietnamese will abandon their ambitions. Furthermore, the Le Duan Vietnamese enemy aggressors have a history of tricks and lies to mislead people.

During the nearly 7 years of their war of aggression in Cambodia, the Vietnamese lied many times to everybody.

First, since 1982, the Vietnamese have shouted every year about their troop withdrawal from Cambodia, saying that tens of thousands of their troops were withdrawn in this year or that. But in fact, they did not pull out their troops, but simply sent in fresh troops. They have launched operations to kill the Cambodian people in the most savage and barbarous manner.

Second, the Vietnamese have solemnly declared that they respect the sovereignty and territorial integrity of Thailand, but in reality they do not. Vietnamese aggressor troops in Cambodia have repeatedly and arrogantly violated Thai territory. They are not ashamed of their declaration and continue to promise to respect Thailand's sovereignty and territorial integrity.

Therefore, the statements by the Le Duan Vietnamese enemy aggressors have no value at all. Their promises are merely aimed at misleading world opinion and easing pressure from the international community so that they will be able to achieve their ambitions to swallow Cambodia and set up an Indochina federation. When they accomplish these ambitions they will advance further in conformity with their own aggressive and expansionist strategy and that of their Soviet boss in this region. The Le Duan Vietnamese enemy aggressors have not changed their aggressive and expansionist portion and do not want to withdraw their troops from Cambodia. They do not want to live peacefully with various countries in the region. If the Vietnamese really abandon their aggressive and expansionist ambitions and want to live peacefully with various countries in their region, they would have withdrawn all their aggressor troops totally and unconditionally from Cambodia in compliance with the UN resolutions and they would have not have to stage such tricky maneuvers.

Therefore, nobody believes the Vietnamese. The world knows that whether Vietnam changes or does not change its aggressive and expansionist position will depend on deeds, not words, because it has tried to deceive everybody. If the Vietnamese really want to show the world that they are flexible and want to resolve the Cambodian problem through political means, they must take concrete actions as stated by the U.S. ambassador to the United Nations.

If Vietnam does not take any concrete action, even though Nguyen Co Thach or the other Hanoi Vietnamese officials smile to everyone and pretend to be docile, everyone will know that Vietnam has not abandoned its ambitions. Everyone knows the Vietnamese are the aggressors and exterminators of the Cambodian race who have destroyed peace in Southeast Asia and opposed the principles of international law and the UN Charter. Everybody will continue to condemn the Vietnamese and pressure them in all fields until they fully implement the six UN resolutions by withdrawing all their aggressor troops completely and unconditionally from Cambodia and allowing the Cambodian people to determine their own destiny through universal and free elections under UN supervision and with no outside interference.

CSO: 4212/100

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK ON PEACEFUL RESOLUTION OF CAMBODIAN PROBLEM

BK050646 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
4 Sep 85

[Station commentary: "The CGDK Always Has the Goodwill To Peacefully Resolve the Cambodian Problem by Standing on the UN Resolutions and the Declaration of the International Conference on Kampuchea"]

[Text] The cabinet of the CGDK held a meeting on 28 August under the lofty chairmanship of Samdech Norodom Sihanouk, president of Democratic Kampuchea, with the participation of His Excellency Son Sann, prime minister of the CGDK, and His Excellency Khieu Samphan, vice president of Democratic Kampuchea. The statement issued on this cabinet meeting reaffirmed the CGDK's position of seeking to settle the Cambodian problem peacefully within the framework of the related UN resolutions and the declaration of the International Conference on Kampuchea in July 1981. The CGDK cabinet stressed once again that Cambodia has no desire to wage war. We need peace in order to rebuild our country and to improve the living conditions of our people. Our only wish is to live in peace and friendship with all countries near and far in the world.

This is a sincere, strong, and firm stand and policy of the CGDK and all Cambodian people. Cambodia is a small and poor country with a small population. The Cambodian people did not provoke a war against any country. They want to have good relations and live peacefully with all countries in the world, particularly with neighboring countries, in accordance with the 5-point principle of peaceful coexistence which emphasizes nonaggression, noninterference in other countries' internal affairs, and the respect of independence, sovereignty, and territorial integrity of other countries.

The Hanoi Vietnamese, who have a big country with a large population and army with modern weapons, do not want Cambodia to live as an independent and peaceful nation with territorial integrity. They want to control Cambodia, swallow it, and make it part of their territory in conformity with their cheap ambitions. At the end of 1978, the Hanoi Vietnamese sent hundreds of thousands of soldiers to grossly, barbarously, and arrogantly attack and occupy Cambodia. They do not care about international law and the UN Charter. During their war of aggression in Cambodia over the past nearly 7 years, Vietnamese aggressor troops have caused enormous suffering for the Cambodian nation and people--suffering unprecedented in Cambodian history. Despite all this, the CGDK, which is the legitimate representative of the Cambodian people, has indicated many times that as long as Vietnam withdraws all its aggressor forces from

Cambodia, the Cambodian people and the CGDK will not seek compensation for damages from it nor have any rancor against it and will agree to conclude an agreement to live peacefully with it for dozens and even hundreds of years.

The Vietnamese, who are obsessed with their aggressive and expansionist ambitions--for they want to be the father of Indochina and the emperor ruling over Southeast Asia--do not respond to this reasonable wish of the CGDK. Furthermore, they have pursued their war of aggression and genocidal war against the Cambodian people and race. Concurrently, they have intensified the implementation of their Vietnamization policy in Cambodia. They have sent many more of their nationals to settle in Cambodia. At present, there are nearly 1 million Vietnamese nationals in Cambodia who have stolen Cambodian territory in compliance with the Le Duan Vietnamese enemy's policy of swallowing Cambodian territory.

Under such conditions, the Cambodian people and the CGDK have no other choice than to oblige to carry weapons, unite, and pursue their struggle against the Vietnamese aggressors for the defense of their nation and race. The Hanoi Vietnamese cannot be forced to sit at the negotiating table to settle the Cambodian question through political means in accordance with the UN resolutions and the declaration of the International Conference on Kampuchea by withdrawing all their aggressor forces unconditionally from Cambodia and to let the Cambodian people determine their own destiny unless the Cambodian people and the CGDK pursue their struggle more vigorously against the aggressors on the battlefields until they encounter many more difficulties that they cannot bear any longer.

The Cambodian people, the National Army of Democratic Kampuchea, and the tripartite CGDK always adhere to their position of resolving the Cambodian problem by standing on the UN resolutions and the declaration of the International Conference on Kampuchea. The Cambodian question cannot be settled permanently, Cambodia cannot be an independent, peaceful, neutral, and non-aligned country, and peace and stability cannot be restored throughout Southeast Asia unless the Cambodian problem is resolved through the UN resolutions and the declaration of the International Conference on Kampuchea.

CSO: 4212/103

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK HAILS SIHANOUK RECEPTION OF ENVOYS

BK031039 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
2 Sep 85

[Station commentary: "Significance of the Ceremony To Receive Credentials of Ambassadors of Two Friendly Countries in Democratic Kampuchea's Liberated Zone"]

[Text] A grand credentials reception ceremony was held on 28 August in a Democratic Kampuchean liberated area in Preah Vihear Province. There, DK President Samdech Norodom Sihanouk and the PRC and Bangladesh Ambassadors were accorded the warmest of welcomes by the DK National Army and a large number of Cambodian people.

The credentials reception ceremony was held successfully in the presence of more than 100 journalists, television crew members, and radio correspondents from countries in Asia, Europe, and America. This significant political event took place at a time when the entire Cambodian people and all Cambodia patriotic forces are jointly fighting the Vietnamese aggressors in defense of their nation and race.

This is a political victory for the Cambodian people and all patriotic forces of the CGDK headed by Samdech Norodom Sihanouk. This is because the Vietnamese aggressors had earlier sent tens of thousands of troops to launch operations along the border area in an attempt to prevent the Samdech president of Democratic Kampuchea from going to receive the envoys' credentials in Cambodian territory. By so doing, the Vietnamese aggressors wanted to deceive others that they have gained full control of Cambodia and smashed all the Cambodian patriotic forces, thus making the world community stop supporting the just struggle waged by the Cambodian people and the CGDK and forcing the world community to accept the Vietnamese aggression against Cambodia as a fait accompli. However, this Vietnamese attempt failed because the Samdech president of Democratic Kampuchea was able to attend the credentials presentation ceremony in the Cambodian territory. Therefore, this credentials reception ceremony is of great political significance because:

1. It is a blot on the Vietnamese aggressors' deceitful propaganda to divert the real situation in Cambodia into serving their aggressive and expansionist policy;

2. It shows that the Vietnamese aggressors cannot control the long border region, let alone completely occupy Cambodia, as they have tried to make the world community think, nor can they smash the Cambodian patriotic forces;

3. It clearly shows that the CGDK forces have maintained their control over the border area as well as the vast Cambodian countryside and that they have actively and arduously carried on their struggle against the Vietnamese aggressors throughout the country. This clearly proves that the Le Duan Vietnamese aggressors, however cruel and barbarous they may be, cannot conquer the guerrilla war of the Cambodian people who are enjoying the support of the majority of peace- and justice-loving countries, nor can they fool others into legitimizing their war of aggression in Cambodia.

The success of DK President Samdech Norodom Sihanouk's trip to receive credentials of the two envoys in Cambodian territory has been warmly welcomed by the Cambodian people and all the Cambodian patriotic forces as well as all peace- and justice-loving countries that oppose acts of aggression and expansion. This success is another encouragement for all Cambodian people and Cambodian patriotic forces. They have become more active and united and have intensified their vigorous struggle against the Vietnamese aggressors and race exterminators until the Vietnamese aggressors are compelled to fully implement the six UN resolutions and withdraw their aggressor troops totally and unconditionally from Cambodia in order to allow the Cambodian people to decide their own destiny.

CSO: 4212/103

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK COMMENTARY ON CGDK DETERMINATION TO UNITE

BK041104 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
3 Sep 85

[Station commentary: "The CGDK Is Determined To Continue To Unite and Fight the Vietnamese Enemy Aggressors Until They Are All Driven Out of Cambodian Territory in Accordance With the Significance of the Kuala Lumpur Declaration of 22 Jun 1982"]

[Text] On 28 August, the CGDK held a cabinet meeting under the chairmanship of Samdech Norodom Sihanouk, president of Democratic Kampuchea, with the participation of His Excellency Son Sann, prime minister, and His Excellency Khieu Samphan, vice president of Democratic Kampuchea in charge of foreign affairs.

After the meeting, the cabinet issued a statement indicating a number of important stands on the CGDK in solving the Cambodian problem and adopted a number of measures to increase the efficiency of the struggle for national liberation under the leadership of the CGDK. Concerning the issue of the great national union, the statement clearly emphasizes that the three parties of the CGDK continue to respect firmly the spirit and significance of the declaration of the formation of the CGDK signed in Kuala Lumpur on 22 June 1982. The three parties of the CGDK pledge to gather all forces and wage a common struggle to liberate Cambodia from the Vietnamese aggressors with a goal of making the fatherland an independent, sovereign country and to achieve the implementation of the declaration of the International Conference on Kampuchea and various resolutions of the UN General Assembly.

During the past over 3 years, since the founding of the CGDK, the Vietnamese enemy aggressors, the Soviets, and their accomplices have made every effort to stage all maneuvers to split the CGDK so that it can neither unite nor wage a vigorous struggle against the Vietnamese. They have used all means to create conflicts within the CGDK. They have incited one party against another and rejected this or that person. They have also brought to bear military, political, and diplomatic pressure in an attempt to destroy this coalition government. By standing on the sacred national interests and considering the great national union more important than anything else as well as by standing on the significance and spirit of the declaration of the formation of the CGDK, the three parties of the CGDK have overcome all obstacles and destroyed all tricks of the Vietnamese enemy aggressors.

Furthermore, the three parties of the CGDK have united well. The dark, poisonous schemes of the Vietnamese enemy aggressors and their accomplices have been successively and shamefully defeated. The statement of the CGDK cabinet clearly indicates that the three parties of the CGDK will continue to unite until our Cambodia is completely liberated. This is a serious political blow to the tricky manner of the Hanoi Vietnamese enemy aggressors and the dark, poisonous schemes of the Vietnamese, the Soviets, and their accomplices, who have made every effort to divide the great national union of Cambodia against the Vietnamese aggressors.

The Vietnamese enemy aggressors, the Soviets, and their accomplices have striven hard to split the great national union of Cambodia so that the Vietnamese will be able to achieve their criminal desire to swallow Cambodia and include it in their Indochina Federation. The Vietnamese and the Soviets will use this Indochina Federation as a springboard to further their aggression and expansion in Southeast Asia in accordance with their regional and global expansionist strategy. On the other hand, this statement by the CGDK cabinet is also a new encouragement to the Cambodian people and all Cambodian resistance forces, who have valiantly and courageously struggled on the battlefields for the defense and survival of their nation and race, which will enable them to intensify their activities against the Vietnamese enemy aggressors on the battlefields in the interior of the country, particularly those around the Tonle Sap and Phnom Penh as well as those along the western border. This CGDK cabinet statement is also an encouragement to all our friends near and far throughout the world, giving them more confidence in our great national union and our CGDK. Our friends have increased sympathy for our Cambodian people's correct and just struggle under the leadership of the CGDK.

Therefore, the entire Cambodian people, the Cambodian resistance forces of the the three parties, and the CGDK are determined to continue to raise the banner of the great national union by keeping sacred this great national union and national interests. They will do nothing to affect and split the great national interests. They will do everything to strengthen further this great national union. They have pledged to strengthen their forces and unite to fight the Vietnamese enemy aggressors and more vigorously on the battlefields and the international scene. They are also determined to continue to attack and destroy all maneuvers performed by the Vietnamese enemy aggressors and their accomplices.

We are determined to unite shoulder to shoulder to pursue the armed struggle against the Hanoi Vietnamese enemy aggressors until they are all driven out from our Cambodian territory. In the future, we will unite to defend and construct our country so that it will be developed and prosperous forever.

CSO: 4212/103

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK ON REACTION TO DK SIDE'S REORGANIZATION

BK050929 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
4 Sep 85

[Text] Since the radio Voice of Democratic Kampuchea broadcast the press communique of the Office of the Vice President of Democratic Kampuchea on the reorganization of the Democratic Kampuchean side's leadership, the international community has welcomed this reorganization. Everybody realizes that this reorganization favors a settlement of the Cambodian problem through political means. Concurrently, the international community is calling on the Hanoi Vietnamese to examine the ASEAN countries' proposal to resolve the Cambodian question politically and demanding that the Vietnamese withdraw all their aggressor troops from Cambodia in accordance with the UN resolutions.

On 2 September, Thai Foreign Minister Sitthi Sawatsila said at Singapore airport that this decision should be welcomed by all parties to the Cambodian problem. This decision removes any pretext for the Vietnamese to maintain their military presence in Cambodia, obstruct national reconciliation, and deny the Cambodian people the right to self-determination. The Vietnamese and the Soviets should examine this decision carefully and withdraw their troops from Cambodia. The Thai foreign minister said: This reorganization conforms to the settlement of the Cambodian problem through political means, and we are seeking the solution to the Cambodian question through peaceful means. The war in Cambodia should be ended to let the Cambodian people determine their own future.

On 2 September, Malaysian Deputy Foreign Minister Abdul Kadir welcomed this reorganization by saying that it is a good sign for the ASEAN countries, efforts to resolve the Cambodian problem politically. He added: This shows that the leaders of the Democratic Kampuchean side do not care about their own interests but about national interests. Therefore, this news should be welcomed.

CSO: 4212/103

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK COMMENTS ON VAN TIEN DUNG'S STATEMENT

BK061021 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
5 Sep 85

[Station commentary: "The Hanoi Vietnamese Have No Duty or Right to Attack and Occupy Cambodia"]

[Text] On the occasion of the anniversary of Vietnam's National Day on 2 September, Vietnamese National Defense Minister Van Tien Dung shamelessly and openly stated that the presence of Vietnamese troops in Cambodia and Laos is a part of their internationalist duty. This is a shameful statement.

While they have been denounced and condemned by the international community for their attack and annexation of Cambodia in a gross and flagrant violation of the principles of international law, the UN Charter, and the Nonaligned Movement, the Hanoi Vietnamese enemy aggressors dare to state that their aggression in Cambodia is an internationalist duty. This statement has shown clearly the real nature of the Hanoi Vietnamese enemy aggressors who do not care nor respect international law.

The Hanoi Vietnamese enemy aggressors have boasted that they are nonaligned and socialist and have to fulfill their internationalist duty. But their real nature and concrete activities have shown that Vietnam is not a socialist nor a nonaligned country. In fact, the Vietnamese enemy aggressors sent hundreds of thousands of soldiers to attack and annex Cambodia. They have maintained over 60,000 troops to occupy and control Laos. Furthermore, they allow the Soviets to establish their military bases in Vietnam which threaten peace in Southeast Asia and the Asia-Pacific region. Moreover, the Vietnamese enemy aggressors dare to say that their aggression is an internationalist duty.

Do the Hanoi Vietnamese have any right or duty to wage aggression against other countries as they wish? If they really have the duty to wage aggression against other countries and after achieving the first step of their duty, that is after completely swallowing Laos and Cambodia, where will the Vietnamese enemy aggressors implement their internationalist duty? There is no doubt that they will advance and carry out their aggression in Southeast Asia.

Therefore, the above-mentioned statement by Van Tien Dung as well as those by other Hanoi Vietnamese enemy aggressors have shown more clearly to the world

the real nature of the Hanoi Vietnamese enemy aggressors who use the law of the jungle and brutal force. Furthermore, they have also shown the ambitions and the expansionist strategy of the Vietnamese enemy aggressors and their Soviet boss. The Vietnamese enemy aggressors have a goal to swallow Cambodia and Laos and include them into their fetid Indochina Federation. If the creation of the Indochina Federation is achieved, the Vietnamese and the Soviets will advance further in accordance with their regional and global expansionist strategy.

But from one day to another and from one year to another, the real nature of the Hanoi Vietnamese enemies who are the aggressors, expansionists, and race exterminators of neighboring peoples have been exposed. The Hanoi Vietnamese enemy aggressors cannot use the words "internationalist duty" to hide nor lessen their crimes of aggression and annexation of Cambodia and Laos. Nobody cares nor accepts the Hanoi Vietnamese enemy aggressors' statement on this issue as well as their clique's tricky statements on all issues.

The entire Cambodian people categorically reject and oppose the arrogant and savage statement by the Hanoi Vietnamese enemy aggressors who have attempted to lessen their crimes for their aggression and occupation of Cambodia. The Vietnamese have no duty nor right to attack Cambodia and the Cambodian people do not need the presence of Vietnamese troops on their territory. The Cambodian people ask for a complete and unconditional Vietnamese troop withdrawal from their country in conformity with the UN resolutions.

Should the Hanoi Vietnamese enemy aggressors remain stubborn and not want to withdraw their troops from Cambodia, the Cambodian people will continue to unite and pursue their struggle until the aggressors are all driven out of Cambodian territory. The international community cannot accept this bandit theory of the Hanoi Vietnamese enemy aggressors. If the world community accepts this Vietnamese theory, this means that it accepts Vietnam's aggression in Cambodia as a fait accompli. Should the international community accept this, the Vietnamese enemy aggressors will definitely implement their bandit theory in various countries in the region.

Therefore, the international community will continue to unite and pressure Vietnam with all forms. At the forthcoming UN General Assembly session, it will continue to denounce and condemn the Vietnamese more vigorously and call on them to withdraw all their troops unconditionally from Cambodia in compliance with the UN resolutions.

CSO: 4212/103

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK CITES STATEMENTS SUPPORTING DK CHANGES

BK061241 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
5 Sep 85

[Text] On 3 September, the radio of station Son Sann's KPNLF welcomed the changes and new set-up within the Democratic Kampuchean side by saying that this new set-up would open up the way toward negotiations with Vietnam to resolve the Cambodian issue.

Also on 3 September, Musa Hitam, Malaysian deputy prime minister, said this new set-up is encouraging and would enable the Democratic Kampuchean Government to receive more support and assistance from various countries.

On 4 September, the spokesman of the Chinese Foreign Ministry said this set-up would strengthen the internal unity of the Cambodian people and advance their struggle against the Vietnamese aggressors. Concerning the acceptance by the CGDK to hold proximity talks with Vietnam, he said China has noted the new attitude of the CGDK. He also expressed regrets over the fact that Vietnam refuses to reply reasonably to this proposal and continues to carry on its aggressive policy in Cambodia.

On 3 September, (Charles Redman), spokesman of the United States, said this new set-up [is] an appropriate step toward a political solution to the Cambodian issue which is in accordance with the proposal of the ASEAN countries and the United Nations.

CSO: 4212/103

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK REPORTS ZHAO ZIYANG-SIHANOUK MEETING

BK041014 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
3 Sep 85

[Text] Chinese Premier Zhao Ziyang met and held talks with Samdech Norodom Sihanouk, president of Democratic Kampuchea, and his wife in Beijing on the night of 1 September.

During this meeting, the Samdech president of Democratic Kampuchea briefed Premier Zhao Ziyang on his recent visit to a Democratic Kampuchea liberated zone. He said that his trip to this liberated area of Cambodia was on official business, which was conducted successfully.

Zhao Ziyang said that the Samdech's trip to Cambodia is a great encouragement to the Cambodian army and people struggling against the Vietnamese aggressors. This has exposed various tricky pieces of propaganda spread by the Hanoi Vietnamese.

The Samdech said: The Vietnamese have attempted to eliminate the patriotic Cambodian resistance forces, but their attempt has failed. I received credentials from the ambassadors of two countries friendly to Democratic Kampuchea in a liberated zone of Democratic Kampuchea. I am optimistic about the continued struggle against the Vietnamese aggressors.

Zhao Ziyang said that the fact that the Samdech had accepted credentials from ambassadors on Cambodian territory showed that the tripartite Cambodian patriotic forces are continuing their struggle and that the situation in Cambodia is developing continuously in a direction favorable to the Cambodian resistance forces.

After the meeting, Zhao Ziyang hosted a banquet in honor of the Samdech president of Democratic Kampuchea and his wife.

Present at the meeting and the banquet were on the Chinese [side] Zhu Xuefan, vice chairman of the Chinese National People's Congress Standing Committee, and Tian Jiyun, vice premier, and on the Democratic Kampuchean side Chan Youran, Democratic Kampuchean ambassador to the PRC.

CSO: 4212/103

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

KHIEU SAMPHAN MESSAGE TO MALAYSIA'S RITHAUDDEEN

BK310550 (Clandestine) Voice of the National Army of Democratic Kampuchea in
Cambodian 2315 GMT 30 Aug 85

[29 August greetings message from DK Vice President in Charge of Foreign
Affairs Khieu Samphan to Malaysian Foreign Minister Tangku Ahmad Rithauddeen]

[Text] To His Excellency Tengku Ahmad Rithauddeen, foreign minister of
Malaysia, Kuala Lumpur:

Your Excellency, on the propitious occasion of Malaysia's National Day I am particularly honored and glad to warmly congratulate you and sincerely wish you the best of health, happiness, and success and Malaysia and the Malaysian people prosperity and well-being. At the same time, I wish the Malaysian Government, an important member of ASEAN, more success in national construction as well as in its noble efforts to preserve peace, stability, and security in Southeast Asia and the world.

I take the opportunity of this excellent occasion to express again profound gratitude to you and, through you, to the Malaysian Government and people for the noble and consistent support accorded the correct and just cause of the Cambodian people for national survival and for an independent, peaceful, neutral, and nonaligned Cambodia under the leadership of the CGDK.

I am confident that the long-standing traditional relations of friendship and cooperation between our countries and peoples will further develop.

Please, Your Excellency, accept my highest regards.

[Dated] DK, 29 August, 1985

[Signed] Khieu Samphan, vice president in charge of foreign affairs.

CSO: 4212/100

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VONADK: CREDENTIALS PRESENTATION 'MAJOR POLITICAL EVENT'

BK310603 (Clandestine) Voice of the National Army of Democratic Kampuchea in
Cambodian 2315 GMT 30 Aug 85

[Text] DK President Samdech Norodom Sihanouk received the credentials of the ambassadors of China and the People's Republic of Bangladesh to DK at a locality in Cambodian territory on 28 August. Before the arrival of Samdech Norodom Sihanouk and the Chinese and Bangladesh ambassadors to the ceremony ground, solemn preparations for the occasion included the deployment of a guard of honor. A large crowd of people of all ages and sexes was seen waiting happily for the appearance of the Samdech and friendly guests of honor. Vice President Khieu Samphan, Ieng Sary, Son Sen, and other DK personalities were also happily waiting to welcome the Samdech president of DK and the ambassadors of the two friendly countries. The atmosphere was warm and full of excitement as the people were looking forward to seeing the Samdech president and the noble representatives of the two friendly countries coming to present their credentials accrediting them to DK.

The ceremony ground was decorated beautifully. It included a nice quarter reserved exclusively for the Samdech, a large hall where the credential-presentation ceremony was to take place, a large building to house the banquet, and several pretty cottages for the ambassadors and other guests of honor. The ceremony site looked like a tourist garden located inside a pleasant park of tall trees and multicolored flowers.

The credential-presentation ceremony of the Chinese and Bangladesh ambassadors proceeded in a moving atmosphere as it was a major political event and a rare occasion taking place in Cambodian territory where the Cambodian people and all patriotic Cambodian forces are joining hands in close unity against the genocidal Vietnamese enemy aggressors.

Following the presentation of the credentials, the many foreign journalists from Asia, Europe, and the Americas met with the Samdech president of DK to ask him about important political developments.

This is an important political happening in the struggle of the Cambodian people against the Vietnamese enemy aggressors to liberate their beloved country. This is also a political success for the Cambodian people and for all Cambodian patriotic armed forces under the leadership of the CGDK with Samdech Norodom Sihanouk as the president. The Cambodian people both at home

and abroad, all patriotic armed forces, and friends in many countries throughout the world warmly rejoice over this success. It is an important political development that clearly indicates the military, political, as well as diplomatic setbacks of the genocidal Vietnamese enemy aggressors.

CSO: 4212/100

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VONADK REPORTS BATTLE RESULTS FOR AUGUST

BK050633 (Clandestine) Voice of the National Army of Democratic Kampuchea in
Cambodian 2315 GMT 4 Sep 85

[August battle results from battlefields throughout the country]

[Text] 1. Koh Kong-Kompong Som battlefield: 118 Vietnamese soldiers were
killed and 145 others were wounded. Total: 263 casualties.

2. Leach battlefield: 91 killed and 81 wounded. Total: 172 casualties.

3. Samlot battlefield: 186 killed and 201 wounded. Total: 387 casualties.

4. Pailin battlefield: 184 killed and 258 wounded. Total: 442 casualties.

5. South Sisophon battlefield: 113 killed and 127 wounded. Total: 240 casualties.

6. North Sisophon battlefield: 65 killed and 82 wounded. Total: 147 casualties.

7. Siem Reap-Route 6 battlefield: 76 killed and 91 wounded. Total: 167 casualties.

8. Chhep-Preah Vihear battlefield: 2 killed and 4 wounded. Total: 6 casualties.

9. Kompong Thom-Kompong Cham battlefield: 70 killed and 79 wounded. Total: 149 casualties.

10. Muong-Pursat battlefield: 96 killed and 73 wounded. Total 169 casualties.

11. Western battlefield: 96 killed and 76 wounded. Total: 172 casualties.

12. Southwestern battlefield. 62 killed and 83 wounded. Total: 145 casualties.

13. Northeast-Eastern battlefield: 63 killed and 46 wounded. Total: 109 casualties

14. Phnom Penh battlefield: 11 killed and 7 wounded. Total: 18 casualties.

In sum, in August we killed 1,233 Vietnamese enemy soldiers and wounded 1,353 others for a total of 2,586 casualties.

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VONADK CITES BATTLE REPORTS FOR 23-29 AUGUST

BK300730 [Editorial Report] (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian broadcast the following battle reports during the reporting period 23-29 August:

VONADK at 2315 GMT on 23 August reports that DK forces attacked and liberated a Vietnamese commune office and platoon position in Samraong Sen of Kompong Leng District in Kompong Chhnang Province on 17 August. The report also says that in actions launched from 11 to 20 August on Samlot and Siem Reap battlefields, DK forces killed 58 Vietnamese soldiers; wounded 43 others; destroyed 20 assorted guns and a large quantity of ammunition and materiel; seized 27 assorted guns and some ammunition and materiel; and liberated 8 villages on Samlot battlefield.

VONADK at 2315 GMT on 24 August reports that DK forces attacked railroad tracks in an area between Krang Skea and Romeas in Kompong Chhnang Province on 17 August, ambushed a Vietnamese truck on Route 5 on East Battambang battlefield on 19 August, conducted hit-and-run activities on Pailin battlefield between 18 and 20 August, and launched various other activities on Kompong Chhnang, MOUNG-Pursat, Leach, South Sisophon, and Samlot battlefields between 13 and 20 August, killing 56 Vietnamese soldiers; wounding 62 others; destroying 6 portions of railroad track, 1 truck, and some arms, ammunition, and war materiel; and seizing some guns, ammunition, and war materiel.

VONADK at 2315 GMT on 25 August reports that DK forces attacked railroad tracks near Damrei Kon on Kompong Som battlefield on 20 August, ambushed a Vietnamese battalion in Kampot District on 22 August, attacked a Vietnamese platoon in Chhuk District of Kampot Province on 21 August, and conducted other activities on Kampot, Koh Kong Leu, Battambang, Kompong Thom, Siem Reap, and Leach battlefields from 9 to 22 August, killing or wounding 53 Vietnamese soldiers; destroying 50 meters of railroad track and some weapons and materiel; and seizing some weapons, ammunition, and war materiel.

According to a VONADK report at 2315 GMT on 26 August, DK forces attacked Bak Sna commune office, Baray District, Kompong Thom battlefield on 15 August and conducted activities against Vietnamese soldiers on Pailin, Kompong Cham, South Sisophon, Samlot, Kompong Thom, and Kompong Speu battlefields from 14 to 23 August, killing or wounding 63 Vietnamese soldiers; destroying some guns, ammunition, and military material; seizing some guns, ammunition, and war materiel; and liberating 3 villages on Kompong Thom battlefield.

VONADK at 2315 GMT on 27 August reports that DK forces attacked railroad tracks on Kompong Som and Moung-Pursat battlefields on 23 and 21 August respectively and conducted various other activities against Vietnamese soldiers on South Sisophon, North Sisophon, Koh Kong Leu, Koh Kong Kraom, Leach, Kompong Thom, and Moung-Pursat battlefields from 10 to 25 August, killing or wounding 85 Vietnamese soldiers; cutting 16 portions of railroad track totaling 340 meters; destroying some guns, ammunition, and war materiel; and seizing some guns, ammunition, and war materiel.

According to a VONADK report at 2315 GMT on 28 August, DK forces attacked Vietnamese soldiers in various areas on North Sisophon, Siem Reap, Moung-Pursat, Kampot, Kompong Cham, and Chhep battlefields from 6 to 24 August, killing or wounding 62 Vietnamese soldiers; destroying some weapons, ammunition, and war materiel; and seizing some weapons, ammunition, and war materiel.

VONADK at 2315 GMT on 29 August reports that DK forces attacked and smashed a Vietnamese battalion position west of Stoeng Kach on Leach battlefield on 20 August and conducted various other activities against Vietnamese soldiers on Samlot, Siem Ta, and Leach battlefields from 20 to 26 August, killing or wounding 115 Vietnamese soldiers; destroying 38 assorted weapons, 1 battalion position, 22 barracks, and some war materiel; and seizing some guns, ammunition, and war materiel.

CSO: 4212/100

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VONADK CITES BATTLE REPORTS FOR 30 AUG-5 SEP

BK61138 [Editorial report] (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian broadcasts the following battle reports during the reporting period 30 August-5 September.

VONADK at 2315 GMT on 30 August reports that between 20 and 25 August, DK forces on the South Sisophon, Leach, and Kompong Thom battlefields killed 28 enemy soldiers and wounded another 21; destroyed 1 C-25 radio set, and some war materiel, weapons, and ammunition; seized a quantity of war materiel, ammunition, and weapons; and liberated 3 villages on the North Sisophon battlefield.

At 2315 GMT 31 August, VONADK says that between 15 and 29 August, DK forces on the Pailin, Kompong Chhnang, Moung-Pursat, Kon Kong Leu, South Sisophon, and East Battambang battlefields killed and wounded 129 Vietnamese enemy soldiers; destroyed 392 meters of railroad tracks, 1 truck, 2 vessels, and some weapons, ammunition, and war materiel; and seized some war materiel.

According to a report broadcast by VONADK at 2315 GMT on 1 September, between 18 and 28 August, DK forces on the Siem Ta, Koh Kong-Kompong Som, Kampot, and Takeo battlefields killed and wounded 75 enemy soldiers; destroyed 6 weapons, 60 meters of railroad tracks, 2 commune offices, 1 map, and some ammunition and materiel; and seized 2 weapons, 1 map, and some weapons and war materiel.

VONADK at 2315 GMT on 2 September reports that between 15 and 29 August, DK forces on the Samlot, North and South Sisophon, Siem Reap, Kompong Speu, Kratie, and Kompong Thom battlefields killed and wounded 110 Vietnamese enemy soldiers; destroyed 13 weapons, 1 truck, 3 boats, and some war materiel; and seized some weapons, ammunition, and war materiel.

A report broadcast 6 VONADK at 2315 GMT on 3 September says that between 24 and 31 August, DK forces on the East Battambang, Koh Kong Leu, Moung-Pursat, and Siem Reap battlefields killed 385 Vietnamese enemy soldiers; destroyed an assortment of 363 weapons, 17 T-54 tanks, 25 armored vehicles, 36 radio receivers, 14 C-25 radio sets, 4 telephones, 1 tank-and-armored-vehicle regimental position, 1 district seat, 116 barracks and Vietnamese houses, a large quantity of military materiel, and 100 meters of railroad tracks; seized 38 weapons, 1 telephone, 1 cassette recorder, and some military materiel; and liberated 6 villages on the West Battambang battlefield.

At 2315 GMT on 4 September, VONADK reports that between 25 August and 1 September, DK forces on the Pailin, North Sisophon, Siem Reap, Siem Ta, and Kratie battlefields killed and wounded 94 Vietnamese enemy soldiers; destroyed 1 commune office, 6 barracks, and some weapons, ammunition, and war materiel; and seized some war materiel.

On 5 September at 2315 GMT, VONADK says that between 22 August and 2 September, DK forces on the Samlot, Pailin, South Sisophon, and Moun-Pursat battlefields killed and wounded 144 Vietnamese enemy soldiers; destroyed 31 weapons; 1 commune office, 6 barracks, 1 truck, and some materiel; and seized some weapons, ammunition, and war materiel.

CSO: 4212/103

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK HAILS KHIEU SAMPAN'S AFRICAN TOUR

BK290334 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
28 Aug 85

[Station commentary: Brilliant Success of the Friendship Visit to African Countries by CGDK Delegation Led by Democratic Kampuchean Vice President for Foreign Affairs Khieu Samphan"]

[Text] A CGDK delegation led by DK Vice President Khieu Samphan paid an official friendship visit to five African countries--Cameroon, Senegal, Mauritania, Sierra Leone, and Ivory Coast--from 24 July to 20 August.

This is the first time that our CGDK sent a joint delegation made up of representatives of the three factions to launch activities in the international arena in order to inform the friendly African countries about the real situation of the Cambodian people's struggle against the Vietnamese aggressors, expose the Vietnamese aggressors' tricky and cunning nature and their barbarous and cruel policy, and tell the world about the correct stand of the CGDK regarding the settlement of the Cambodian problem. The visit also clearly reflected the firm unity and solidarity within our CGDK no matter how hard Vietnam, the Soviet Union, and their colleagues have tried to undermine them.

Our CGDK delegation's visit to these African countries achieved brilliant success. Everywhere it went--both in those countries which have long been friends and those which have just recognized our CGDK--our delegation was accorded with warm welcome by leaders and people of the fraternal countries. Although African countries are far from Democratic Kampuchea, our African brothers have kept a close watch on the developments of our Cambodian people's struggle. They warmly admire our people for our courageous and valiant struggle against the Soviet-backed Vietnamese regional expansionists. Leaders of the African countries expressed their elation at the development of their countries' relations with Democratic Kampuchea. As proof of this, Cameroon Minister of State for Justice Ngongang Ouandji said: Cameroon and Democratic Kampuchea have had friendly contacts for almost 15 years now. Our two peoples have forged good relations with each other on the basis of similar principles, that is, noninterference in other states' internal affairs, nonalignment, and cooperation with all states without discrimination.

Leaders of these countries had also reaffirmed their stand in supporting the just struggle waged by the Cambodian people and CGDK against the Vietnamese aggressors and their support for the UN resolutions demanding the total, immediate, and unconditional withdrawal of Vietnamese aggressor troops from Cambodia. Senegalese Foreign Minister Ibrahima Fall stated that despite difficult situation that Democratic Kampuchea is experiencing, our two governments have continued their diplomatic and political relations in a spirit of firm unity and cooperation as the old saying goes: A friend in need is a friend indeed. Senegal would carry on its international activities in defense of Democratic Kampuchea's just cause in its valiant struggle against foreign aggression. Senegal would intensify efforts in the United Nations, the Non-aligned Movement, and other international forums to seek a solution to the Cambodian problem in accordance with international law by respecting the principles of noninterference in other states' internal affairs and nonuse of force against any sovereign state.

President Siaka Stevens of Sierra Leone, which recently decided to recognize the CGDK as the sole legal and legitimate government of Cambodia, said: The Government of Sierra Leone has kept a close watch on the struggle waged by the Cambodian people and the CGDK for several years now. The CGDK is very worthy of being recognized by Sierra Leone. The government of Sierra Leone will do everything possible in support of the Cambodian people's just struggle.

Mauritanian Head of State Maaouiya Ould Sid Ahmed Taya and Ivory Coast Foreign Minister Simeon Ake also expressed sympathy and moral and diplomatic support for the just struggle waged by our Cambodian people and CGDK for national independence and survival.

The Cambodian people and CGDK express our profound thanks to the governments and peoples of these African countries as well as all the peace- and justice-loving governments and peoples throughout the world for their constant support for the Cambodian people's struggle against the Vietnamese aggressors and for their activities launched in the international arena in support of the CGDK--the sole legal government of Cambodia. Their noble acts constitute a great encouragement to the Cambodian people, Democratic Kampuchean National Army, and all Cambodian patriotic forces which are fighting on the battlefield against the Vietnamese aggressors in order to defend the Cambodian nation and race in contribution to defending peace and stability in Southeast Asia and the whole world.

The Cambodian people hope that they will continue to give this noble support to us and that at the coming UN General Assembly they will vote in support of Democratic Kampuchea's seat at the United Nations and further demand that the Hanoi Vietnamese aggressors withdraw their troops immediately, totally, and unconditionally from Cambodia in accordance with the six UN resolutions.

CSO: 4212/100

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

BRIEFS

NEW RECRUITS DESERT--The Vietnamese enemy sent three truckloads of newly recruited soldiers from South Vietnam on Route 3 to Phnom Penh on 5 August. When they arrived in Bek Chan and took a rest for a meal, these new recruits deserted. The soldiers are old people and students who were forcibly drafted from South Vietnam by the Le Duan clique. This shows that although the Le Duan clique has made every effort to force the people and students to serve in the army and die for it, the recruits do not want to fight and die on the Cambodian battlefield. [Unattributed Commentary] [Text] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 26 Aug 85 BK]

KOMPONG THOM VILLAGES LIBERATED--Our DK forces attacked the Vietnamese enemy's commune office at Bad Sna, Baray District, Kompong Thom battlefield, on 15 August. After 15 minutes of fighting, we completely liberated and occupied this commune office. We killed or wounded a number of Vietnamese enemy soldiers. We destroyed a rice milling machine, a commune office, and a military barracks. We also liberated three villages: Bak Sna Khang Lech, Bak Sna Khang Kaeut, and Andaok. ["Battle reports from various battlefields"] [Excerpt] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 26 Aug 85 BK]

KOMPONG SPEU EXPELS SRV EXPERTS--Roleang Sreul is a commune in Sanraong Tong District of Kompong Speu Province. It used to be rich with all kinds of crops all year round. But, after their invasion into this commune, the Vietnamese aggressors robbed our people of everything, including cattle. The people were enraged and rose up against the Vietnamese aggressors. They often led DK National Army and guerrillas to attack the Vietnamese aggressors. With our people's support, on 30 July, our guerrillas attacked and totally liberated the Vietnamese office in this commune. After attacking and dispersing the Vietnamese administrative power in this commune, our people have been very happy. They warmly welcomed our army and guerrillas for attacking and driving away the few Vietnamese experts in this commune who confiscated our people's rice and crops for feeding their aggressor troops on the Cambodian battlefield. [Text] [(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodia 2315 GMT 28 Aug 85 BK]

ECUADOR REAFFIRMS SUPPORT--To His Excellency Khieu Samphan, vice president of Democratic Kampuchea. Mr Vice President: I have received with joy your letter

dated 1 July 1985 in which you called on the Ecuadoran Government to support the CGDK position in the coming 40th UN General Assembly. As you know well, Ecuador has supported all UN resolutions demanding the withdrawal of foreign troops from Cambodia, the restoration of and respect for Cambodia's independence, sovereignty, and territorial integrity, and granting of the right to self-determination to the Cambodian people. Adhering to its traditional policy of respecting the fundamental principles of international law, Ecuador will further support Democratic Kampuchea's position in the coming UN General Assembly. Availing myself of this occasion, I would like to express my profound affection and best regards to you. [Signed] Edgar Teran Teran, foreign relations minister of Ecuador. [Reply message from Ecuadoran Foreign Relations Minister Edgar Teran Teran to Democratic Kampuchean Vice President Khieu Amphan --date not given] [Text] [(Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 31 Aug 85 BK]

PROXIMITY TALKS WITH VIETNAM--On 3 July, Thai Foreign Minister Sitthi Sawetsila told reporters in Bangkok that the tripartite CGDK has agreed to accept a revised proposal suggesting that the CGDK hold proximity talks with Vietnam. The CGDK firmly holds that the root cause of the Cambodian problem is the Vietnamese military aggression and occupation of Cambodia. Therefore, talks to resolve the issue should be held with Vietnam. [Text] [(Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 4 Jul 85 BK]

BARBADIAN MINISTER'S MESSAGE--To His Excellency Khieu Samphan, vice president of Democratic Kampuchea in charge of foreign affairs: Your Excellency, I would like to thank you for the congratulatory message you sent me when I was nominated minister in charge of foreign affairs and international trade. I would like to take this opportunity to affirm to you that during my tenure, I shall firmly adhere to protecting the already existing close relationship between our two countries. [Signed] Nigel Barrow, minister in charge of foreign affairs and international trade. [Reply from Nigel Barrow, minister in charge of foreign affairs and international trade of Barbados, to Democratic Kampuchean Vice President in Charge of Foreign Affairs Khieu Samphan--date not given] [Text] [(Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 1 Sep 85 BK]

CSO: 4212/103

MILITARY AFFAIRS AND PUBLIC SECURITY

CONSOLIDATION OF LEGAL SYSTEM SOUGHT

Hanoi DOC LAP in Vietnamese 24 Jul 85 p 3

[Article by Quang Dam: "The Law And Its Effects"]

[Text] Under the regime of private ownership, state law--as Marx and Engels said--embodies the will of the ruling class, aimed primarily and most importantly at imposing a social order suitable to the basic interests of that class.

Under our political regime, the law reflects the will of the laboring masses, of which the working class is the vanguard force. A complex situation immediately following the 1945 autumn general uprising and the subsequent years of resistance war against the French were not favorable to a prompt development of a new and perfect legal system. Nevertheless, while fighting arduously against the foreign invader, as well as against hunger and illiteracy, our state and people succeeded in establishing a healthy and orderly wartime life-style in all areas of activity. Next, during the 20-year war against the United States for national salvation, the people's democratic legal system had gradually developed and improved, paving the way for large-scale and high-quality building after the war.

In the past 10 years (1975-1985), the first stage of the transitional period to socialism, as far as the legal system was concerned, there have been many positive efforts and valuable accomplishments nationwide. However, aside from these new contributions, new and very complex difficulties and obstacles have appeared. In fact, no winner has clearly emerged from the still undecided battle between the socialist and capitalist ways of life. The superiority of socialism fundamentally has become more and more evident. But at times and places and in specific fields, capitalism is not without explicit capabilities. It is especially worthwhile noting that this is a brand of capitalism which has inherited countless evil and wicked features of U.S. neo-colonialism and Beijing expansionistic hegemony, stubbornly determined to undermine our new social order in a comprehensive manner.

Looking back into the past 6 or 7 years, those concerned about national political security have all agreed that we should, regularly and primarily, concentrate revolutionary vigilance on this area. We trust and admire the coping forces which, with the unanimous assistance of other sectors and the people, have bankrupted the extensive plots and espionage, special-action and sabotage activities of the leading reactionaries in the White House and in Beijing. In

the eyes of our people, these outstanding achievements have, along with the glorious military exploits of our army and compatriots, played a very important part in defending the frontier of the socialist fatherland.

Meanwhile, in the past 5 or 6 years, the sound-minded public has expressed legitimate concerns about effects of the law--first of all, effects of the penal code on breaches of the law in many areas of daily life in society. We can cite, in a relatively concrete manner, "visible practices" considered as rather prevalent in many cities, even in the nation's capital:

--Petty offenses damaging usual social order, public hygiene, city beauty and civilized man-to-man relationships.

--Brutal and violent actions infringing on state authority and wealth, or on the people's body and property.

--Illegal purchases, sales and shipments impairing traffic order, circulation, communications and transportation.

--Fraudulent use of state-owned machinery, equipment and supplies, for personal purposes in population and household registration, real estate, issuance of permits, examinations, and employment nominations, selections, arrangements and change of duties.

--Attempts to blackmail, corrupt, establish collusive connections and accept bribe money.

All told, the main problem with our legal system is that effects of the law are not sufficiently strong; at many times and places, they are excessively weak, even almost non-existent. Comments, judgments and doubts expressed by the public can be right or wrong; but in general, they all warrant attention. There has been much talk about widespread negativism in social life. But this should not be seen as a mere evil attempt to blacken the truth. In 1983, the fifth session of the fourth plenum of the VCP Central Committee clearly noted, "A component of our society, including even the laboring people, workers, youths, cadres and party members, has shown critical manifestations in morality and lifestyle." So far, notwithstanding big efforts and achievements, ideological education and cultural activities have not yet been able to really curtail or thwart the above contagion. Sectors in charge of ideological work and cultural activities now hope that the laws will be enforced more powerfully, or to a truly appropriate extent. However, society has had opportunities to see banes of negativism permeate this or that element of the legal system. Some of those "handling the scales of justice" and defending the efficiency of laws have degenerated, switching from active fighting against negativism to a bystander attitude, then to "active support for, and collusion with negativism. Confronted by references to, and proposals or demands for the need to foster enforceability, people in some places often repeat the following explanations and arguments:

--At the present time, how can we not show little understanding, accommodation and flexibility?

--With "complex negative practices" likely to occur virtually anywhere and anytime, how can we succeed in making the laws fully effective?

As a result, the indispensable role of the law of ensuring compliance in the fields of social order has become loose, permanently embroiled in a vicious circle with no clear exit in sight. Violations have been overlooked, leading neither to prosecutions, nor to trials. Overly lenient sentences have been meted out, lighter even than the law permits.

Criminal cases have been transferred from the penal code to other laws to ensure "smoothness and neatness," or to "intra-organ settlement," or to "self-criticism" to "get the problem over with." But eventually, the problem involving the entire society has become more acute.

Naturally, laws cannot thrive in rigidity or grow into a "punitive doctrine." After all, society as a whole wants laws to be strict, just and wise, and properly endowed with necessary and sufficient enforcing power. Laws can be evaluated on the basis of their enforcing power: without strictness, they are anything but laws; and without strictness, justice and wisdom, they are anything but socialist laws [emphasis in original].

Our regime closely links the task of educating people about revolutionary virtues with that of implementing revolutionary legislation. Actual life shows the significance of the close association between the state's duty as a manager and the people's role as a collective owner, and between the effectiveness of laws and the task of educating public opinion and the militant behavior of society under the leadership of the leading party.

All that process will give rise to a comprehensive and ever-improving healthful and glowing new order--our socialist order.

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CSO: 4209/594

INTERNATIONAL RELATIONS, TRADE AND AID

PRICING FOR EXPORT-IMPORT, RELATED MATTERS DISCUSSED

Hanoi NGOAI THUONG in Vietnamese May 85 pp 13-16

[Article by The Nguyen: "Prices of Export and Import Commodities "]

[Text] As everybody knows, prices of exports and imports play an extremely important role in the foreign trade activities of a socialist country. They are considered one of the important economic accounting norms of export-import activities and must be properly managed in order to develop their positive effects aimed at: one, avoiding losses of foreign currencies for the state in its trading with foreign countries; two, ensuring foreign-currency profits in export-import activities; and three, promoting high-quality fulfillment of the import plan.

The export-import price management system that has been adopted is the legal basis for unified leadership over the pricing task in the entire foreign trade sector.

Seriously implementing the regulations in this system is the responsibilities and obligation of the Ministry of Foreign Trade management organs, as well as all organizations that are authorized to do export-import business. This is a matter of principle. This system does not allow us to be subjective, to do things at our convenience and to be careless in pricing for export-import.

But a review of the situation in the last few years has led us to say that the export price management procedures were not fully carried out.

1. The export-import price management system requires that before dealing with foreign countries, general corporations and foreign trade corporations must actively draft price plans and submit them in accordance with the decentralization schedule.

However, our general corporations and foreign trade corporations did not attach proper importance to this matter. In the case of some large deals in

which the Ministry would have to approve prices, some general corporations failed to actively study international markets and prices, did not try to understand and know the situation of the business people they needed to deal with, did not have all of the information necessary for defending their pricing, and so on. And for that reason their price plans were not drafted in full compliance with the requirements of the price management system. In quite a few export-import price plans, some general corporations were unable to determine the international price level, nor to fully compare the quality and technical factors of commodities, conditions for delivery and payment, and so on; therefore, the price levels they brought forth were very vague and baseless.

In fact, if we do not know the international price level, we cannot determine any guidelines in price negotiations; if we do not get to know the business people we need to deal with, we cannot have a price policy toward such people; if we do not compare the quality and trade product factors, as well as delivery and payment conditions, we cannot find a reasonable price level.

The above-mentioned matters generally are very complex (professionally). Without professional skills and high determination, we cannot draft price plans that can convince people. Without convincing price plans, the results of negotiations will certainly be limited.

The experience in many deals showed that a lack of complete price plans often led to more unnecessary internal quarrels than concentrated efforts to fight for good prices with foreign customers. Such phenomena as blindly trusting foreign customers, losing vigilance in commercial activities and doing business at any prices were not criticized severely enough. All of the things we mentioned above have been causing great losses of foreign exchange for the state abroad.

2. Export-import prices are considered and approved in the decentralization process through the ministry and general corporations. This decentralization is for general corporation directors to have the right to act quickly in business involving small services. However, the consideration and approval process must be carried out in compliance with all procedures (i. e., there must be price plans and full consideration and approval by directors). The ministry still retains the right to check and to control.

In the last few years, many general corporations generally did not fully comply with all regulations about submitting export-import price plans to the ministry and directors at each level of consideration and approval (in accordance with the decentralization schedule). The contents of price plans were superficial and brief. The time after their submission for approval was very short. Although we cannot eliminate any unexpected deals, in reality there are many services that are known long in advance, but many general corporations still

wait until the last minute to do things; they wait until today to submit a price plan to the ministry for a deal to take place tomorrow. This way how can the Prices-Foreign Exchange Department have enough time to study a plan and to submit it to the ministry leadership for consideration and approval?

Thus in addition to a failure to fully implement the ministry's export-import price management system, we cannot avoid losses if the staff function is not objectively carried out before a decision is issued.

In addition to the regulations about submitting price plans for approval, the price management system also sets forth many organizational aspects and measures for keeping track of the use of directed prices set by the ministry and general corporations, making reports on the results obtained every month, quarter, 6 months and year, and so on.

To correctly carry out the export-import price procedures is the most basic condition for ensuring the necessary quality of our foreign business activities.

3. To negotiate prices with foreign customers is an extremely important but very complex professional skill in foreign trade. As we have a good price plan, we still must know how to organize good negotiation in order to ensure that the approved plan is carried out with good results.

To organize a price negotiation with foreign customers requires that we pay attention to these three basic points:

a. About the human element:

This is the most basic matter, for in negotiations with foreign customers the cadres who are assigned the negotiating task are the ones who bring about for the most part any good results from the negotiations. If the persons who are assigned to negotiate have professional negotiating skills, know the customers well and adhere to the plans, they will certainly succeed. Otherwise they will be in a passive situation, become confused and finally fail. The realities of the past several years have very clearly proved that point. We can say that to build and train a body of cadres having good professional negotiating skills is an extremely important and urgent task. At the present time, there is a shortage of such cadres, a shortage that is very critical in many services; because of poor negotiating skills (failure to know the contents of price plans, or lack of a good knowledge of how to deal with customers, or lack of understanding of the other side), results of negotiations have been very limited even in the socialist market, and worse in the capitalist market.

In the coming years, we must pay attention to quickly strengthening the ranks of capable cadres who can properly hold price negotiations with foreign

countries (who have a firm position, good professional skills and a good command of foreign language). Only then we will be able to get advantageous export-import prices without affecting our export-import dealings.

b. About negotiation location:

We can organize price negotiations abroad or in our country, depending on actual situation and the requirements of different services.

The important thing is how to get all of the gains and advantages we may get. For instance, soliciting sales of consumer goods right at the domestic-trade organizations or placing orders directly with production enterprises, and so on. Of course, it is not always possible to do such things. If price negotiations are in a foreign country, the arrangement for sending a negotiating team away can be different from what is needed for negotiations within our country. We must have close coordination with the commercial services and trade missions of our country abroad when we conduct negotiations in foreign countries.

In the last few years, price negotiations in our country showed more advantages for us than the ones held abroad. Therefore, in the case of larger import items, especially machinery and equipment, we should actively invite foreign customers to come to our country for negotiations in order to have such advantages.

c. About time:

When is an appropriate time for negotiations is not a simple matter, particularly for customers from capitalist countries.

If all foreign dealings take place in accordance with the state plan, we can be the party that decides about the time for negotiations. We can choose an appropriate time, early or late, for every aspect of the deal involved, depending on changes in the market situation, international prices and other combined conditions that are favorable for export or import.

If we are passive in terms of time, if we always wait until the last minute to do things, we will not have any choice at all. In this situation, we must export or import at any prices. In this case, we cannot avoid large losses of foreign currencies for the state.

In addition to the three above-mentioned factors, in order to ensure good results from negotiating export-import prices with foreign countries, we must have a high degree of awareness of organization and discipline. We must absolutely avoid revealing our own trade intentions so that customers could put

pressure on us. We must not let any negative aspects occur in negotiations. The businessmen of capitalist countries are certainly more professionally skillful than we are in terms of doing business and therefore are very sensitive toward our immaturity and ready to put pressure on us when they have the opportunities to boost their profits by tens, even hundreds of percent. As for us, this immaturity will create a disaster, so much loss of foreign currencies for the state!

The above ideas to some extent show the important role played by export-import prices in foreign trade exchanges, and we would like to see everybody agree to one thing: to fail to do good export-import price work can only be harmful. However, the fact that as the realities in foreign trade showed lately, the export-import price work was being neglected more and more has been becoming a serious trouble. What is the truth behind this? Let us look into it.

To do business with foreign countries at any prices: In foreign trade exchanges there are two basic factors -- export and import. Generally speaking, export is to send products made in our country to other countries for sale. On the other hand, import is to bring products made abroad into our country for use. The use value of export goods is that for other countries; on the other hand, the use value of import goods is that for our country. The foreign needs (for export goods) and domestic needs (for import goods) are the two important categories for foreign trade. However, the use value of export-import goods, the characteristics that satisfy the above-mentioned foreign and domestic needs, cannot by itself determine their exchange relationships but rather through their value -- their international value. Theoretically speaking, the international value is the social relationship among producers of goods in different countries taking part in exchanges on the world market. This relationship is measured by the amount of social labor of international character necessary for production of the goods exchanged among countries. This is an abstract and complex matter.

In foreign trade realities, they consider the international value of goods in the form expressed by money, i. e., by international prices. Exchanges made in accordance with international value means exchanges made at international prices, and this is the law of foreign trade exchanges and the key of the matter.

However, there are some people among us who fail to see this key point and thus underestimate the application of international prices in export-import activities. They usually put forth many reasons for avoiding the international price norm.

As to export goods, they cite poor quality, lack of market, etc. as excuses for deliberately lowering prices. As a result, there are deals in which great losses come from price reductions which nobody would say anything about.

As to import goods, on the other hand, they set forth such excuses as serving production, facing unexpected needs, lacking a market, having no capital, etc. for buying them at unfoundedly high prices. And as a result, the waste of foreign currencies in import is considerably large.

It is true that the above reasons do exist and affect export-import prices. But the important thing is to what extent they affect prices and each case must be considered separately. We should not use the above reasons to camouflage other failures. The fact is that there have been export-import deals that resulted in considerable losses of foreign currencies for the state because of irresponsible action, failure to know the market, professional weaknesses in connection with prices, or sloppy action due to impatience, and so on.

Another matter is that when we talk about international prices, we do not talk only about the international value of the goods concerned but we must also pay attention to the purchasing power of the foreign currency used to compute the international price concerned.

On the world market the values of foreign currencies, as well as the values of goods, do not cease to fluctuate. If the value of goods is unchanged and the supply-demand relationship remains the same, a decrease of the value of foreign currency used to compute price of the goods concerned will have to require an increase at a proportionate rate of the price of the goods computed in that currency in order to guarantee the purchasing power of the latter. Therefore, what foreign currency being used is profitable for us in export-import and what actual price level is needed to accommodate the purchasing power of the foreign currency used to compute the price concerned are important questions that we cannot ignore. For instance, export item X priced in Hong Kong dollars. In the case the international price (computed in stable foreign currency) of this item tends to remain unchanged, and the Hong Kong dollar goes down in value, if we keep the same price, it means we reduce at the same rate the purchasing power of the foreign currency we receive. Does it mean then we have reduced the price of this item?

We have long failed to pay proper attention to this matter and naturally this failure has caused losses.

In export-import, for each country, two-way prices are of great importance depending on relative customers. Here the level of prices in contracts can be lower than that of international prices. However, this two-way price relationship cannot run off from the international price relationship.

In addition, export-import prices also depend on another kind of factors, such as delivery conditions, mode of payment, and so on. All of these factors are to be taken into consideration in calculations based on international prices.

To have exchanges in accordance with international prices is the law of all foreign trade exchanges. To do well the export-import price work means to correctly apply this law to the foreign trade realities.

5598

CSO: 4209/587

ECONOMIC PLANNING, TRADE AND FINANCE

STEPS TO DEVELOP SEA-AND-OCEAN ECONOMIC SECTOR

Hanoi NGOAI THUONG in Vietnamese Apr 85 pp 13-16, 22

[Article by Kim Hoang: " The Vietnamese Sea-and-Ocean Economic Sector "]

[Excerpt] Our country is in Southeast Asia, the strategic part of the strategic Pacific region. The Pacific is the largest (occupying nearly one-half of the total area) of the seas and oceans of the world and has the greatest depth and reserves of minerals and marine animal and plant life. Bordering the Pacific are some of the large countries of the world (the United States, the Soviet Union, Japan and China), which already have their own Pacific strategies consisting of various goals and levels for concentrating their naval forces and research and economic capabilities on exploiting the world's richest and potentially greatest ocean.

Our country is located in the tropical climatic zone, with monsoon and the sea having the potential development of tropical animal and plant life; our continental shelf is long and wide (the average depth in the Gulf of Tonkin is about 50 meters) and adjacent to the great-depth area of the Pacific; our coast is varied and has many river mouths and different economic areas; our territorial waters run the length of the country, are immense and present favorable conditions for, due to our geographical and land features, both national construction and national defense, as we need to gradually develop on a large scale the sea-and-ocean economic sector.

With the present rate of population increase and under the present land farming conditions, or even under the more modern ones, we can hardly satisfy the needs for grain and foods; we must in the immediate future take the sea economic sector as a source for supplemental supplies, but as we expect a Vietnam having a population of nearly 100 million people in the future must certainly move upward from the sea and the sea-and-ocean economic sector must become its important sector resolving the need for protein; Vietnam must have a strong maritime sector.

These are some specific steps to be taken:

First, Vietnam must have sea-and-ocean economic policies and plans covering from investigation, research and training of cadres and workers to exploitation, raising and protection of animal and plant life and the sea environment in a uniform manner and closely linked with the national economic plan. This step can be divided into two periods:

1. The first one lasting from now until the end of the 80's: natural exploitation (fishing and catching), storage, preliminary processing and export of sea products; raising and planting in coastal waters of the key marine products, in addition to parallel investigation, basic research and training, with everything necessary being done to prepare for the next phase of development.
2. The 90's: while continuing active and better-planned natural exploitation, gradually developing the Vietnamese sea-and-ocean economic sector; exploitation and planting gradually moving to the open sea, along with development of the common economic potential and training of cadres and workers in the necessary skills; creating the sea-and-ocean "agriculture" and, right from the beginning, figuring out the appropriate steps to take to combine the sea economic sector with industry, and along with it to develop the sea products-processing industry; satisfying the need for protein of both people and domestic animals while processing raw materials; and creating sources of goods for export and controlling the sea resources while developing and exploiting sources of foods in the sea and ocean.

Second, the Ministry of Marine Products must be strengthened, with great importance being attached to making preparations for creating the sea-and-ocean "agriculture" in the future; from the beginning, closely combining economy and national defense, first of all the Ministry of Marine Products and the Vietnamese People's Navy; and promoting the highest degree of development within our capacity of this economic sector, after its creation, while at the same time guarding the country's long-term security.

The function of the navy is to maintain the security of the fatherland. But due to our terrain, the need for defending the fatherland and the socialist construction in our country, the navy must be strong; and with a strong navy having potential capabilities, it is necessary for it to exploit the sea, and it can do so, as well as to raise the key products on the sea, to supply itself with marine products processed by itself, to provide the army with rear service and possibly to process products for export. Consequently, the rear service branch of the Vietnamese Navy must also include exploiting the sea and raising products on the sea.

Third, we must right now adopt strict regulations about exploiting the sea, raising marine products and protecting Vietnam's sea ecological environment. We must determine the standards for the industry that exploits and processes oil and gas and draft plans for building the coastal areas and the areas where rivers flow into the sea, as well as think about the responsibility for polluting the sea environment.

Fourth, we must have plans and coordinate the sectors concerned for gradually developing Vietnam's touristic sector, which due to our country's climatic conditions, geography and natural beauty can develop first gradually and then strongly and become a source of income of increasing economic value, first of all a source of foreign currencies.

Fifth, due to our terrain, in order to develop the national economy in general, and the sea-and-ocean economy in particular, it is necessary for Vietnam to have a strong sea transportation sector taking care of both ocean transportation and north-south transportation.

Sixth, we must have plans and careful calculations for cooperation within our capabilities with the fraternal socialist countries, first of all the Soviet Union, Laos and Cambodia, as well as the close Southeast Asian and other countries, on the basis of respect for one another's sovereignty, mutual interests and equality, in sea-and-ocean research and exploitation.

5598

CSO: 4209/587

ECONOMIC PLANNING, TRADE AND FINANCE

EDITORIAL CALLS FOR TIGHTER CONTROL OF GOODS

Hanoi NHAN DAN in Vietnamese 24 Jul 85 pp 1, 4

[Editorial: "Positively Carry Out State Purchasing To Control the Sources of Goods"]

[Text] The socialist state is responsible for doing an increasingly better job of meeting the consumption needs of society. Recently, thanks to full understanding of the resolution of the Eighth Plenum of the Party Central Committee on prices, salaries, and money, in addition to promoting production many localities have begun to rectify their organization, improve their way of doing business, and create dynamism in state purchasing to control the sources of goods, not only to meet the needs of the locality but also to positively contribute to the central echelon to help achieve over-all balance. By 20 July the north had attained 100.4 percent of the over plan to mobilize fifth month-spring grain. After setting aside enough to eat and meet the essential consumption needs, a considerable number of cooperatives and peasant families have sold surplus rice to the state at negotiated prices. During the first six months of the year the southern provinces did well in purchasing pork and surpassed the plan norms in mobilizing pork to meet the common needs, increasing the totals by 16 to 84 percent over the same period last year. Much progress has also been made in the state purchasing of industrial goods nationwide, and the rate of state purchasing of small industry and handicraft goods has increased more rapidly than the industrial goods rate. The purchasing of a number of goods, such as cotton cloth, silk, rush mats, laundry soap, porcelain, cigarettes, etc., increased by 20 to 30 percent over the same period last year.

The reason why many products have been purchased is that the echelons and sectors, working in the spirit of the resolution of the Eighth Plenum, have correct state purchase prices and correct purchasing methods. Clearly, with regard to the same product and the same circumstances, with one method state purchasing is easy but with another method purchasing is difficult.

Carrying out well the state purchasing of goods from many source is not only an urgent immediate requirement intended to stabilize the living conditions of the people but is also a foremost permanent mission of the governmental administrations at all levels, and most directly the socialist commercial sector. Those advances are only initial ones and do not yet correspond to the

results of social production. The state purchasing of many important essential goods, including agricultural goods, foodstuffs, and industrial consumer goods, is still at a low level and during the first 6 months of the year amounted to only 40 percent of the annual plan. The quality of purchased goods is not yet good. Some items are of good quality when they are purchased but remain in the warehouse a long time, which creates difficulties for marketing and ties up capital. The structure and variety of goods that are purchased are still monotonous and are not yet appropriate to the tastes and purchasing power of each area, so there exists the situation of there being a surplus of an item in one area and a scarcity in another area, which creates artificial scarcities, etc. That situation is due in part to the centralized bureaucratic-subsidizing structure and in part to a shortage of cash and the irrational deployment of production and distribution of raw materials. For example, some places have many needs and sufficient production capacity but are supplied few raw materials, or vice versa. Furthermore, the organization of state purchasing has been transformed slowly and the state purchasing style and forms have not kept up with changes in the actual production situation. An example: at a time when most (95 percent) of the hogs are raised by peasant families the form of state purchasing, the method of payment, and the method of organizing the delivery of hogs are still troublesome, are bureaucratic, administrative, and commandistic in nature, are inflexible, and are not dynamic.

The recent experiences in places which have or have not yet changed over from paying salaries partly in in-kind good to paying salaries entirely in money, socialist commerce can still expand its purchasing to control goods, thanks to dynamism in working and organizing implementation in accordance with the new structure. In state purchasing consideration is always given to recalculating the consumer needs of society, not only with regard to quantity and quality but also with regard to the variety of goods in each area, in order to promptly organize appropriate merchandise forces and implement business methods that are responsive to the needs of the market and to the price situation. The state purchase prices of agricultural products and foodstuffs must be based on the local price of paddy. The price of processing or buying manufactured goods must include all rational expenses and production costs. If there is a lack of cash for purchasing, it is necessary to rely on the local party committees and governmental administrations and discuss things with the masses. Those who need money immediately should be paid first and those who can allow the state to owe them and pay them later should receive suitable interest. By using that method some places with the same purchasing apparatus and with little increase in capital and material bases, have been able to buy more meat, beans, and handicraft goods than in the past.

We must apply the new mechanism regarding state purchasing and prices, ensure that the state controls nearly all commodity grain and most of the important commodity agricultural products and food products, and control all materials and manufactured consumer goods imported by state economic organizations or produced or processed by small industry and handicrafts, and nearly all manufactured consumer goods produced by small industry and handicrafts by using self-obtained materials and raw materials or brought in by Vietnamese citizens from abroad and sold. That is an urgent requirement and extremely important measure. If that is to be accomplished, all localities and

socialist commercial units must, on the basis of the consumption needs of the locality and the nation, have positive plans and take the initiative in increasing production, come up with new capabilities and technical advances, and carry out state purchasing in the spirit of the resolution of the Eighth Plenum, and promote the transformation of private merchants and the strengthening of market management. Attention must be paid to the quality of purchased goods, quality inspection when goods are purchased must be stepped up, and the organization of product quality and measuring management must be urgently strengthened. At the same time, the state plans regarding the delivery and distribution of products. The mode of direct relations between district commercial corporations and central or municipal commercial corporations (the places of consumption) must be widely applied in order to buy good products, sell them quickly, and end the situation of tying up goods an capital. Only thereby can the development of production be stimulated. That is also the basis and precondition for expanding state purchasing and doing an increasingly better job of controlling the sources of goods by the state, thus contributing to the good implementation of the Eighth Plenum resolution on prices, salaries, and money.

5616

CSO: 4209/603

AGRICULTURE

STABILIZATION OF 10TH MONTH CROP DISCUSSED

Hanoi NHAN DAN in Vietnamese 22 Jul 85 p 2

[Article by Engineer Viet Chy: "How Can the 10th Month Crop in the North Be Stabilized?"]

[Text] The 10th month rice yield is increasing. During the 1976-1980 5-year period the national average was 18.86 quintals per hectare and in the 1981-1984 4-year period it increased to 22.2 quintals per hectare. In the north the average yield in the 1960's was 19 quintals per hectare, in the 1970's it was 20.05 quintals per hectare, and in the 1981-1984 4-year period the average of 22.17 quintals per hectare. In 24 years of cultivating 10th month rice the yield has exceeded 22 quintals per hectare only 3 years: 1974, 1982, and 1984.

In general, throughout the nation the 10th month season coincides with the rainy season and covers a large area, from the high mountainous region to the coastal region. With regard to grain, if there is a shortfall in the 10th month season there is no other season in the agricultural year to make up for that shortfall.

During the 1985 10th month season it is necessary to increase output by more than 6 percent over the 1984 10th month crop if the requirements of the annual grain norm.

Because it is spread out over a large area, the weather during the 10th month season is seldom favorable in the different high-lying and low-lying areas. It is evident that in drought years the low-lying areas have good harvests and in years with much rain many high-lying areas have good harvests. After a quarter of a century, the 10th month yield in 1982 was 23.3 quintals per hectare and was 24.1 quintals per hectare in the north. The 1985 10th month plan calls for efforts to attain 24.5 quintals per hectare and for high-output rice areas to attain 42 quintals per hectare.

We all know that time is of paramount importance. The seasonal schedule is even more important with regard to the 10th month season. Three major obstacles in the process of growing the 10th month crop.

First, between the beginning of the season to the middle of the season in some years there are droughts and in other years there are major storms. Seldom are rain and sunlight distributed evenly over the season. Drought at the beginning of the season we lack rice seedlings, while rain at the beginning of the season washes the rice seedlings away. Rain in the middle of the season causes waterlogging and sometimes tens of thousands of hectares must be retransplanted or abandoned. Therefore it is necessary to consider ways to have sufficient rice seedlings after a drought and after there is rain, in order to transplant the entire area in the allowable time. Allowing paddies to await rice seedlings or allowing rice seedlings to await paddies create obstacles for the seasonal schedule.

Second, favorable temperature for the heading of 10th month rice is 23 to 28 degrees Centigrade. The later rice heads after 15 to 20 October the lower the safety ratio is. With regard to all varieties and all types of fields, it is necessary to pay attention to arranging a variety structure for transplanting within a definite limit so that the rice can head and pollinate safely. That does not include fields that are not flat, poor-quality rice seeds and seedlings, and irregular tending and weeding, and allowing the heading of rice to be stretched out 15 to 20 days, which cause even greater damage. The weather at the beginning of the season is conforming to the normal pattern: in May the flamboyant flowers were red and lotuses had fully blossomed. Thus there is a tendency for the above-mentioned safety factor to take place in a law-like manner.

Third, the 10th month crop is ordinarily more damaged by insects and diseases than the winter-spring crop because from April on the warm temperature helps insects and diseases develop at a rapid rate.

Furthermore, a winter crop following the early 10th month crop brings about many benefits and it is necessary to create conditions for that season to be expanded on the basis of the land and plentiful labor of the north, or a dry crop following the 10th month rice crop in the south, in order to create many important goods for the nation.

The 1985 10th month crop is being grown under rather special circumstances. The recent winter-spring crop was affected by cold, which although not severe was prolonged. The effective accumulated temperature was low, which affected the growth period of rice from the north to Hai Van Pass. While in the coastal area of Zone 5 the 1984-1985 winter-spring rice matured 7 to 10 days earlier than in 1983-1984, in the north it matured 7 to 15 days more slowly than during the previous two winter-spring seasons. The growth periods of all rice varieties were 20 to 40 days longer than usual. Especially, in areas which planted many late spring rice varieties the crop still had not been harvested by the beginning of July, so there was a shortage of land for sowing rice seedlings. The time left to harvest the 5th month rice, prepare the soil, and transplant 10th month rice is only about 45 to 50 percent of that in the past. The work has been and is extremely pressing, and that does not include drying paddy to fulfill obligations toward the state, which also takes place during that period.

Essentially completing transplanting in July, or at the latest during the first few days of August, is something that has become a reality during the past 3 or 4 years. What will be the situation this year? Everyone knows that over the course of three consecutive winter-spring seasons more than 100,000 draft water buffaloes and oxen in the delta, midlands, and former Zone 4 areas died and have not yet been replaced. Thus 200,000 hectares lack draft power. Tractors used to prepare the soil lack spare parts and POL and some places tend to assign that work to draft water buffaloes and tractors with wire cage wheels. Preparing the soil for the 10th month crop is a very urgent problem.

Because of the actual situation of the 1985 10th month season we cannot sit and wait and hope that if the cold does not arrive too soon and the rain is favorable we will have a good harvest. Our foremost objectives are as follows:

First of all, planting the entire area within the allowable limits of the seasonal schedule, the sooner the better.

Second, ensuring such intensive cultivation techniques as ample supplementary fertilizing, transplanting rice seedlings of proper maturity, not transplanting rice seedlings with sprouts, and transplanting rice seedlings that are free of insects and diseases and in the proper density.

Third, closely monitoring the various kinds of insects and diseases: brown leafhoppers, leaf rollers, stem borers, rice hispa, rice wilt, etc.

Fourth, limit the damage caused by storms, floods, and droughts that may occur during the 1986 10th month season.

In order to prepare for future years it is necessary to pay special attention to the 1986 10th month crop structure and prepare to produce good seeds future years. The cooperatives and the plant geneticists must quickly create 10th month rice varieties that are appropriate to the crop rotation structures, and high-yield fields, in order to serve the essential resolution of the nation's grain problem in the shortest period of time.

5616

CSO: 4209/602

HEAVY INDUSTRY AND CONSTRUCTION

HANOI YOUTH WORK AT CAM PHA COAL MINES

Hanoi NHAN DAN in Vietnamese 17 Jul 85 p 3

[Article by Kim Anh: "Hanoi Assault Youth in the Land of Coal"]

[Text] They have been away from their beloved capital more than a year now. They are doing jobs the significance of which is greater than their material value. A very large number (if not all) of the people who have returned from the Hanoi youth coal mining enterprise at Cam Pha in Quang Ninh have brought with them belief. In fact, all 400 of the young people in those assault youth forces have had to endure countless hardships to attain the accomplishments of today, and even today there are still many other difficulties which demand that they be steadfast in the face of new challenges.

"What brought you here?" I asked that question of many members of the Assault Youth unit. Before asking about their output I wanted to ask them about themselves. They went there for many different reasons. Not everyone went for the sake of the enterprise of enriching the homeland. One person wanted to take a long trip, another went to escape a sad private matter, and others went because of the assault spirit of youth. Most of them were far from home from the embracing arms of their families for the first time, and had embarked upon a life of independence and discipline. All had submitted applications to go, as recommended by the Youth Union. but some people also asked permission to return because they could not at first endure the change. "I took the entrance exam of the Mining-Geology College so that I could carry on the occupation of my parents, but I didn't pass. I spent some time at home and then, when the Youth Union recruited Assault youth, I volunteered to go. But when I first arrived I was very unhappy. The first month I picked up only three quintals of coal, while the norm was two tons. Because of that attitude I could not master myself, so I had several deficiencies. With the love and assistance of the unit and of my friends, I endeavored to overcome the things that I thought i couldn't overcome. Now I have become Outstanding Performer 11T of the Dong Da platoon." That was related to us by Nghiem Truong Giang. Only a few days later we witnessed the following dialogue.

"Uncle An, take care of this problem for me." A very youthful young man, quite possibly not yet 18 years old, handed comrade Nguyen Trong An, head of the production office, a request to return to Hanoi.

"Why do you want to return?"

"Because my mother is ill."

"You've been here only 2 months?"

"That's right!"

"You are making an excuse to return because you're used to being a momma's boy, isn't that right? When you go to sleep at night your mother tucks you in, doesn't she?" Those were the words of Thien Nga, a cute girl who, although she had worked in the mines for a year, still had not lost the grace of a Hanoi girl.

"You always say that," protested the youth weakly. Before he left he had rejected all advice and set out with an enthusiasm readily noted in those who have just grown up. As in the case of Nghiem Truong Giang, the initial challenges will pass and everyone can truly begin their work. High productivity will not only bring about higher salaries but will be an honor for the Assault Youth.

Before joining the Assault Youth Unit Thien Nga had graduated from general school and had taken an examination to enter a school which trains nursery school teachers how to dance, sing, draw, read poetry, etc. That was the occupation Nga liked above all. With her graceful demeanor, she was entirely certain of being successful in that occupation. But Thien Nga applied to go although the school had accepted her. The term of employment, according to the subward Youth Union chapter, would be 1 to 3 years. Thien Nga wrote on her application form: 3 years. Only when she had made the application did Thien Nga learn that her younger sister, only 16 years old, had already submitted an application.

Her parents were quite perplexed and her mother even protested. The girls' father, who had been an army officer, advised them to think things over carefully because "If you go, cannot bear the hardships, and desert, that will be even uglier." But Thien Nga won over her parents by the following reasoning: "We are not going to look for an easier life." The two sisters arrived at the coal area in August 1984 and within a month Thien Nga was admitted into the youth Union. In the second quarter of this year she became a 10-ton Outstanding Performer. Thien Nga joined the Youth Union on the occasion of Uncle Ho's birthday, on 19 May of this year.

The youths, who had different circumstances and different personal feelings, went there and met one another in hopes of living a life of significance toward their youth. Six months or a year is not a long time, but collective labor among the Assault youth truly brought out and nourished the fine sentiment inside everyone.

After fulfilling its mission in Hanoi's Lam Dong New Economic Zone, the Assault Youth Unit returned to the capital to "change the guard" and receive a new mission. On 7 May 1984 the first group went to Hanoi's coal mining corporation in Quang Ninh and was organized into four platoons totalling 100

unit members. Succeeding groups increased the strength of the unit, which by the end of 1984 totalled more than 200 people who were responsible for picking out coal from the slag heaps of the Coc 6 mine. In past years the corporation usually received contract workers from organs in the municipality, in order to provide jobs for workers made redundant because of a lack of raw materials and materials for production. Also because of that special characteristic, labor productivity during that period was very low and the workers had the attitude that they were doing temporary work and were not enthusiastic. production in the best year was only equal to the coal produced by the Assault Youth in the first 6 months of 1985. When it first arrived the Hanoi Assault Youth Unit also worked with the status of party B fulfilling a contract with the corporation, party A. In other words the unit did not have the right to take the initiative with regard to capital, labor facilities, and caring for the material and spiritual lives of the youths. Those were extremely difficult days for youths who had recently arrived from the capital: at the mine there was no rest house or drinking water for people who worked in the summer heat. There was also a lack of water for daily activities, and when they returned after work, covered with coal dust, the youth had to stand in line all afternoon to take a shower. It is difficult to speak of a spirit of collective mastership under such living and working conditions. Some youths were lazy toward work and were undisciplined. But with the unit's experience in organizing and educating Assault Youth, the last 6 months of 1984 were still a period which signified steeling and progress on the part of many youths. Hanoi Financial Service who volunteered to serve with the unit developing the Lam Dong New Economic Zone for 3 years, then went to Quang Ninh although the members of his unit had priority in returning to work in Hanoi.

The capital's assault youth development unit totals only a few hundred members, but the good organization of that form has not only brought about economic benefits for the city but has added to experience in organizing the youth forces in work and study, in forging the new socialist man, and in providing employment for youths. With the concern of the Municipal Party Committee and the Municipal People's Committee, at the beginning of 1985 it was decided to assign the coal mining work there to the Assault Youth Unit and to call it the Youth Coal Mining Enterprise, directed by comrade Nguyen Van Ba, a member of the standing committee of the Hanoi Youth Union chapter. From then on, the Youth Union cadres not only organized and educated the youth union members and youths but truly took up the economic management work with a demand that could be no other way: improving the enterprise in all regards.

Preparations could not be made in advance for the fulfillment of the 1985 plan because not until the beginning of February was the enterprise truly cleaned up, a rest house with an area of 200 square meters was built at the site, the entire lighting system was improved, etc. At the same time, there were received 21 applications from professional cadres requesting transfer from the old corporation.

Regarding the production plan as the foremost objective, the director and deputy director of the enterprise took turns going to the mine to organize the contracting out of output to groups and individual workers. The production plan was calculate not for each quarter and month but for each day and each year. At times it was necessary to monitor the weather in order to regulate

production. Trucks which were used to transport workers to work were repaired to ensure that they would not break down, for otherwise the workers could not walk eight kilometers along a mountain road to get to work and would have to take a day off from work, which, which would therefore affect plan fulfillment. During the first 6 months of the year there were only two times when workers could not go to work, and that was not because of the trucks but because of an organizational deficiency. At the mine, the five production units were deployed rationally area by area to reduce to the minimum unnecessary links in the production line. Emulation, awards, and the youth union activities, with a well organized activity schedule that was in accord with the Assault Youth regulations, were also factors in tightly managing workers. With the care and assistance of the Municipal Party Committee, the Municipal People's Committee, the municipal Youth Union chapter, and the sectors in Hanoi, at the Coc 6 Mine, and in Cam, Son subward, where the enterprise was located, the first 6 months of 1985 represented the initial phase of the youth enterprise. It attained 108.42 percent of its plan norm (a 6-months plan which was equal to an annual plan of past years). The average wage of a worker is 1,400 to 1,500 dong per month. The salaries of the 108 "10 ton heroes" amount to as 2,000 dong a month. The Dong Anh platoon, the enterprise's best production unit, was recently awarded a Soviet transistor radio. The enterprise awarded Doan Kien Trung, the person who picked up the most coal, a watch worth 2,500 dong. Nguyen Thi Nhan, of unit I, was close behind Trung's record. The best labor groups were the three-person groups made up of Nguyen Dien Tiep, Nguyen Thi Hong, and Duong Thi Chinh, Unit 5, etc. After being steeled in labor, 50 youths were admitted into the Youth Union, which increased the number of Youth Union members in the enterprise to 180. Twenty outstanding youth union members were introduced to the party.

Three factors led to those results and were also good signs for the succeeding steps: its organization of production and economic accounting is like those of industrial enterprises, but it manages labor according to Assault Youth formations and because it is a youth unit the role of the Youth Union is developed to a high degree and serves as the nucleus of the unit. The hundreds of youths who temporarily leave the capital to go to the coal area are made up of many different components and categories. Therefore, organizing the life and labor of such a diverse group is very complicated. Without the coordination of those forms and measures, maintaining forces will certainly not be easy.

We visited the enterprise when it was in a campaign to transport 4,000 tons of lump coal and 1,000 tons of granular coal. The head of the financial office went to the port to oversee the loading of coal aboardship and cadres went to the mine to test the coal. The enterprise's policy was to reduce the number of administrative workers, and all administrative cadres know enough to participate directly in production when necessary. A day at the Assault Youth unit begins with collective physical training at 0500. At 0600 the youths go to work at the mine and they return at 1400. Because there the clothing was covered with coal dust, which even stuck to the girls' cute faces, they looked strangely alike. But by the afternoon they had returned to themselves, i.e. they could no longer be confused with one another. They engaged in cultural-artistic activities, played soccer, or read books for the

rest of the day. The cultural activities are desired by both the board of directors and the youths, for they do not yet have time to do many things. There is a plan to build 360 additional square meters of housing by the end of the year to receive 300 additional youths, complete a youth club, purchase three TV sets, and open a library with more than 1,000 books.

Now it may be said that youths are no longer indifferent toward the enterprise and that their consciousness of mastery has been further enlightened in the course of their labor and the Youth Union's education work. There is a story that after building a cement well the worker wrote, "Wet well -- do not enter," but people still went up to it and caused damage which had to be repaired. But when he put up a sign which said, "The well is wet and cannot be used yet. Please be patient," no one came up to it. The difficulties are not yet over with. There are still some people who return home because they cannot endure hardships. In eight other cases youths violated discipline and were sent home by the enterprise. But there is never a time when there are no difficulties and no struggle. The hundreds of Hanoi Assault Youths in the mining area are overcoming difficulties and hardships and are working in accordance with the slogan, "High productivity, good living conditions, and strict discipline." In the words of Doan Kien Trung, compared to last year the change in the unit every week is equal to a month.

5616

CSO: 4209/599

LIGHT INDUSTRY

LUA VIET PAPER MILL TESTS NEW PAY SYSTEM

Hanoi NHAN DAN in Vietnamese 26 Jun 85 pp 1, 4

[Article: "Eradicating Bureaucratic System of Flat Allocations Regardless of Productivity, Resolutely Switching to Economic Accounting and Socialist Business, the Lua Viet Paper Mill in Vinh Phu Tries Out Policy of Adding Price Increases to Wages and Including These Readjusted Wages in Manufacturing Costs; 18-Month Experiment Shows that Production Has Developed, Laborers Have Worked with Enthusiasm; but Factory Still Has Met Many Difficulties, Snags Arising From the Bureaucratic System of Flat Allocations; Resolution 8 Has Removed These Snags; the Factory Cheerfully Welcomes, Implements Resolution 8"]

[Text] Since January 1984, the Lua Viet paper mill has been selected by Vinh Phu Province as a pilot center for the policy of adding price increases to wages to achieve the right of a factory to control its production and business.

Initial Experiences

The factory has revamped management in an effort to dismantle the rigid, bureaucratic structure of flat allocations, raise labor productivity and product quality and encourage worker enthusiasm. It has also revamped planning and financial work, expanded directorial authority, fixed financial norms including budgetary obligations, set a wage system composed of basic wages and "price" subsidies to wages, and incorporated these readjusted wages into manufacturing costs. The compensatory arrangement was necessary because the prices of commodities--meat, sugar, monosodium glutamate, dried fish, sauce, firewood, cloth, soap and fuel--supplied on a quota and non-quota basis, and at market prices prevailing at the beginning of 1984, were readjusted in July that year to reflect changes. The factory has added "price" subsidies amounting to 2,361,258 dong to the basic wages of 407 cadres and workers--some 991,362 dong--bringing total wages to 3,352,620 dong, and has included the readjusted wages in manufacturing cost.

It has taken a series of measures, streamlining bureaus and sections, reorganizing handicraft production lines and shifts, and implementing a pay system based on the end product--the sheet of paper. It has compressed 6 bureaus and sections accounting for 12 percent of the total workforce into only 4, representing 5 percent of the total workforce. Production at various shops has been reorganized with links to the end product. Formerly, there were three production shops--raw materials, handicrafts and the end

product--and one support shop, the electromechanical shop. Such a division disrupted the production line and its ties to the final product. To get rid of unnecessary intermediary links usually prone to impeding production, the factory has grouped the raw materials, handicrafts and end product shops into the handicrafts shop, thus forging a continuous bond from raw materials to rolls of paper ready for storage. Support shops dealing with electric power, water, carpentry, masonry and electro-machinery have been fused into the electromechanical shop.

Switching from the practice of paying different wages at different production stages to that of paying wages on the basis of the end product, the factory used 1 ton of finished product as a basis for setting a unit wage. The latter, composed of basic wage, a bonus for night shifts and a "price" subsidy to wage, is used to compute wages for production stages, bureaus and sections. "Price" subsidy to wage is the latter's most important component. Since "price" subsidies collected by workers are 2.4 times larger than basic wages, a failure to include these readjustments in manufacturing costs and to find a unit wage coefficient will inevitably lead to egalitarianism in wages, resulting in those working much earning just a little more than those working little, and in highly skilled workers getting a salary somewhat equal to that of apprentices. For instance, following addition of "price" subsidies to wages in a pulp-boiling unit, a level-4 worker earned only 34 dong more than a level-1 worker, a level-5 only 15 dong more than a level-4, and a level-7 only 61 dong more than a level-1. Implementing the policy of distribution according to labor, the factory has included "price" subsidies in manufacturing costs and set a coefficient of wage computation to encourage outstanding laborers and high-skilled workers to work more in order to earn more. It has set unit wages for production stages and eight kinds of products, such as ruled paper, white paper, typing paper, roneo paper, cardboards of various kinds, student paper, paper rolls and paper for envelopes for export. A unit wage is composed of basic wage and a "price" subsidy, the amount of which varies from one category of workers to another depending on wage coefficients. As a result, the factory has begun to overcome the "flat allocation" practice in wages, battle egalitarianism, stimulate high-skilled workers and excellent laborers, and solve the relationships between labor work, labor quality and labor wage. In the past, after "price" subsidies were added to wages, wage differences between categories of workers were from 10 to 20 dong; now they stand at nearly 100 dong between a level-5 and a level-6, and at 50-70 dong between a level-1 and a level-2, and between a level-2 and a level-3. An enthusiastic movement for productive labor has appeared with laborers truly paying attention to their productivity and actively improving their technical skills. Formerly, quite a few people worked only from 10 to 15 days a month, devoting the rest of their time to private business, in order to earn more than they did at the factory and to keep buying supplied goods at dirt cheap prices. Now, workers must care for production, for each day of work and for wages. In 1984, the factory met all state-assigned norms, ranging from production and product delivery to financial obligations such as taxes and interest payments.

Flat-Allocation System Is A Big Obstacle

The 18-month experiment with the policy of adding price increases to wages and adding these readjusted wages to manufacturing cost at the Lua Viet paper mill

has affirmed the need for eradicating the flat-allocation bureaucratic system and resolutely embracing economic accounting and socialist business. The flat-allocation system in prices and wages has generated numerous phenomena apt to render production inefficient and impair worker behavior and thinking. But given an unchanged common structure, that system still remains, causing the factory to encounter difficulties which it cannot overcome on its own.

The state has supplied provisions not in sufficient quantities, not on schedule and not of correct kinds. The province has authorized the factory to purchase 300 tons of raw materials per year from 10 local villages to make up for inadequate state supplies; but it could buy only from 150 to 170 tons a year due to unsatisfactory raw material prices fixed by the state. Furthermore, since these raw material areas are composed mostly of depleted pine forests and newly-planted thin bamboo forests, the factory has been compelled to use tender thin bamboo. Technical requirements call for 5 tons of thin bamboo for 1 ton of paper; yet because of bamboo tenderness, up to 8 tons are needed. In 1984, the raw material problem alone caused the factory to lose 400,000 dong. Since 1982, manufacturing costs have increased many times owing to increases in raw material prices while wholesale prices of manufactured products have remained constant. For instance, wood, bamboo and thin bamboo increased from 700 dong to 1,300 dong in 1984 and to 2,000 dong this year, and soda increased from 540 dong to 15,000 dong while industrial wholesale prices have not budged since 1982, thus creating difficulties for production and livelihood.

The resolution of the eighth plenum (fifth session) of the VCP central committee on prices-wages-finances, calling for eradicating the bureaucratic flat-allocation system, resolutely embracing economic accounting and socialist business and revamping our country's economic and social managerial structure, has provided correct answers to the factory's doubts and snags. The great and comprehensive prices-wages-finances readjustment nationwide done in accordance with Resolution 8, which cadres, workers and civil servants at the Lua Viet paper mill cheerfully welcome, is bringing new trust and new ardor to everyone, moving production ahead and creating a truly enthusiastic labor spirit aimed at achieving high productivity, quality and efficiency. The factory is learning from its experiment and is getting ready, in compliance with Resolution 8, to eradicate the bureaucratic prices-wages-finances flat-allocation system, and is determined to push production forward.

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LIGHT INDUSTRY

HANDICRAFT WORKERS INCOME CALLED LOW

Hanoi NHAN DAN in Vietnamese 23 Jul 85 p 2

[Letters From Readers column: "Income of Handicraft Workers Is Still Low"]

[Text] I would like to applaud the opinions expressed in the article "Have a Correct Attitude Toward Handicraft Workers" (published in the "Problems of Today" column in the 18 June issue of NHAN DAN). Comparing that article with the local situation, I noted that there are still many incorrect views toward the incomes of handicraft workers. Many places think that small industry-handicraft cooperatives have high incomes so they usually appeal for them to contribute to the local militia fund and women's fund, the fund to build the People's committee headquarters, the cultural-artistic performances fund, the fund to decorate streets, etc.

It is true that there are "ghost" cooperatives which, because they operate illegally, "prosper" very rapidly, and that there are people who repair automobile engines, motorbicycles, and internal combustion engines, and perform other machinery repair services also make a lot of money. When one considers the monetary salaries one easily sees that such incomes of handicraft cooperative members are higher than those of state workers and civil servants. But in comparison to the state workers and civil servants, the in-kind salaries (rice, meat, etc.) of handicraft workers is far less. That is not to mention the dependents. handicraft cooperative members are only supplied rice for one person but workers and civil servants receive enough ration stamps for an entire family, whether it is large or small.

In fact, in our present social situation it is proper that the incomes of industrial workers and civil servants should be higher than those of handicraft workers. But a 30 to 50 percent difference (estimated by cadres of some cadres of the Central Cooperative Federation) is too great and is something that must be taken into consideration when discussing the redistribution of income to handicraft workers so that it can be more rational. In our locality, a cooperative that is famous for lacquerware is able to make a living only because it added such trades as compounding explosive powder for firecrackers, making bowls, making white cement bricks, milling rice for the peasants, making wooden furniture and coffins, etc. If

it produced only lacquerware or items woven from rattan and bamboo its income would have been low. That is an example of a successful cooperative. In many cooperatives that do less well, the cooperative members do not have permanent work and must often sell things at the market to earn additional income.

In order to increase the incomes of cooperative members the management boards of handicraftcooperatives usually want the responsible organs to give them practical help and set prices, profit rates for contracted out work, cooperative expenses, and taxes that are more rational.

Coal is supplied far away and transportation expenses are very high. Rush is placed in warehouses but the paperwork authorizing the cooperative to obtain it passes through four or five bottlenecks, which increases the price of raw materials and the other production expenses.

It must be admitted that the handicraft cooperatives also receive state subsidies. For example, materials and equipment are sold at lower prices than in foreign countries, and although the food prices a little higher than those charged workers and civil servants (rice, 6 dong; meat, 35 dong; and fish, 16 dong per kilogram), but they are still very low in comparison to the free market prices. Therefore, many cooperatives are profitable. When the centralized bureaucratic-subsidizing system is eliminated, will the production of those cooperatives decline? I hope that the above-mentioned organs immediately change the restricting regulations and policies and propose stipulations that are appropriate to the developmental requirements of many handicraft sectors and trades in the new situation. First of all, they must set rational purchase prices, selling prices, profit margins, tax rates, etc., which is extremely necessary if the cooperatives are to make calculations and select the most profitable working methods.

Of course, the handicraft cooperatives must not be entirely dependent, but they must rely on the assistance of the above-mentioned organs in order to rectify all aspects of management and self-reliantly promote production effectiveness, and gradually increase the incomes of cooperative members.

Ho Kim Thu
(Ha Son Binh)

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CSO: 4209/602

LIGHT INDUSTRY

SMALL INDUSTRY, HANDICRAFTS PROMOTED IN RURAL, MOUNTAIN AREAS

Hanoi DOC LAP in Vietnamese 24 Jul 85 p 4

[Article by professors Vu Van Chuyen and Pham Dung: "Bring Small Industry and Handicrafts to Rural and Mountainous Areas: A Measure Aimed at Rationally Distributing and Using Labor Power"]

[Text] Large population, but few laborers:

According to statistics, in 1983 our population stood at 58 million, including 29 million children and only 26.5 million working-age persons. Classifying the latter as laborers is just for definition purpose; in fact, laborers capable of turning out material wealth and showing true and noticeable productivity are even fewer. Low labor percentages and yields and still very limited agricultural mechanization are a recognized fact; nevertheless, no satisfactory solutions have been found.

A solution calls for transferring people to vast but sparsely populated areas, which we promptly did, are doing, and will continue to do. But capitalization is very expensive, and a long wait is required before the initial investment can pay off. That is why accelerating the rational distribution and use of labor force, and increasing the pace of labor and population transfers to solve the labor problem, also are a leading goal. But redistribution of the labor force is no simple matter. It is very costly and its effectiveness is slow in coming. Yet, it remains a corrective measure anyway.

Bring small industry and handicraft to mountainous and rural areas:

A resolution of the fifth session of the VCP central committee seventh plenum clearly indicated, "In 1985, we must accomplish the following: produce 19 million tons of grain, grow an additional 310,000 hectares of industrial crops, raise 13 million hogs, open 730,000 hectares of new land, plant 110,000 hectares of forest, catch 780,000 tons of fish, and export a volume of goods worth 700 million rubles-dollars." In light of that resolution, the development of agricultural, forestry and fishery production has become a state regulation. Indeed, to ensure its implementation, we cannot allow a spontaneous migration to the cities. Notwithstanding timely and appropriate steps taken by our party and state, a failure to address the problem at its roots will inevitably lead to overcrowding in some places. While Ho Chi Minh City counts 1,673 persons per square km and Hanoi 1,297, the northern border provinces are very

thinly populated; for instance, Lang Son has 63 persons per square km, Ha Tuyen 62, Cao Bank 60, Hoang Lien Son 56, Son La 37, and Lai Chau only 24, and so on. In the south, Gia Lai-Kontum has 26 inhabitants per square km; Dac Lac, and recently Lam Dong, have slowly achieved 45 persons per square km.

To remedy the situation, more secondary professions must be added to these sparsely populated areas. Population transfer is a long-term undertaking, calling for substantial investments and very careful preparation. Thus, the best alternative left is to bring small industry and handicrafts to these territories [emphasis in original]. This is an urgent trend in the world for many reasons:

1. Small industry and handicrafts are not cumbersome, easy to learn and practice, and fit for small-scale investments and for laborers to enter the trade at all levels of skills, thus making it suitable to rural conditions. By contrast, industrial investment necessitates capital, equipment, highly trained and skilled technical workers and vast working areas, and so on.
2. Small industry and handicrafts, alongside agriculture equipped with improved tools, can help agriculture move gradually upward to mechanization and large-scale socialist production. Only small industry and handicrafts can make proper agricultural implements--either a single piece or many of them through mass production, and even very small tools--in response to local settings and circumstances, and labor, climatic, and human conditions.
3. Small industry and handicrafts have the capability of turning out special equipment for peasants and rudimentary means of transportation for efficient use in cultivation and farm production.
4. Small industry and handicrafts can hold pocket-size vocational courses--as currently is the case--on weaving woollen and jute rugs, and rush mats, making rattan and bamboo items, such as hats, mats, baskets and louvers for export, and making furniture, etc. This activity, similar to the one which small industry and handicraft cooperatives in agriculture have been carrying out with good results, helps to fully utilize not only the labor force of peasants between planting seasons, but also that of students, children of farmers, and others.
5. Recent developments have shown that, although gross production value of the entire small industry and handicraft sector in 1984 achieved 110.6 percent of plan, a 16.3 increase over 1983, and although commodity export value achieved 124.8 percent of the plan, a 21.4 percent increase over the previous year, small industry and handicrafts production is still slow and uneven between regions and localities. It is very weak, and unable to meet the people's needs for subsistence and production and to support combat in many places, particularly the highland, midland and border provinces, notwithstanding the latter's large potential in mineral, forestry, labor and land resources on which they can draw for developing sectors and professions in villages, setting up the agricultural-forestry-industrial economic structure in the districts and the industrial-agricultural structure in the provinces, redistributing the labor force, and creating a great quantity of products to satisfy local needs and increase capital accumulation for the budget.

Hence, the development of small industry and handicrafts in the countryside and mountainous areas provinces has become a pressing and important requirement. It is very necessary that small industry and handicrafts help agriculture to rehabilitate and accelerate production, develop new sectors and professions and improve rural livelihood.

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LIGHT INDUSTRY

SOCIALIST SERVICE NETWORK EXPANDED

Hanoi DOC LAP in Vietnamese 24 Jul 85 p 7

[Article by Le Quan: "Service, A New Economic Sector"]

[Text] In a big city of nearly 4 million inhabitants like Ho Chi Minh City, service needs of various kinds are considerable. Eating and drinking, going and coming, hauling, repairing utensils for household and collective uses, organizing weddings and burials, all these activities--ranging from recreational tourism to small daily business such as bicycle and motorcycle guarded parking in public places--require diverse forms of services.

Ho Chi Minh City has inherited from the former regime tens of thousands of privately-owned service centers offering dubious work quality and extremely arbitrary prices that had detrimental effects on the laborers' living standards. In the past 2 years, the city has built a socialist service network. Starting with 2 corporations, it now has 12, with more than 300 service centers. State-run services have become a new and growing municipal economic sector, running the gamut from simple services, such as bicycle guarded parking, laundry and shoe repair to skilled labor such as repairing motorcycles, automobiles, radios, television sets and refrigeration equipment. A corporation which initially made 1 to 2 million dong has now exceeded 100 million dong. -Precincts I, V and X, and some others have vigorously developed service trades through a widespread network, earning from the beginning the laboring people's trust in its high work quality.

But compared with the free market, the state-run service network still is very small. In 1984, the municipal service sector made less than 600 million dong, compared with over 10 billion dong per year for privately-operated businesses. The former employs less than 3,000 laborers as opposed to 30,000 laborers in 10,000 service centers for the latter. Private merchants are rather proficient in technical and vocational skills; in other words, they excel in understanding consumer needs and preferences. For that reason, they have been able to manipulate prices and impose their will on consumers. An investigation into a precinct showed that service charges in the private sector have increased more than 200 percent a year and are expected to increase even more. Private merchants cunningly lower their business income in order to pay less or no taxes. Catering to consumer desires, some service trades including tailor shops and beauty and hair salons, have imported odd "fashions," badly affecting our civilized and wholesome lifestyle. The city is paying attention to

building the socialist service sector while gradually transforming the privately-run network. Some precincts are testing transitional forms, such as cooperating with the private sector and attracting and employing technically skilled workers. Municipal party and administration organizations have instructed their precinct and ward counterpart to attentively lead and guide the building of the state-run service network. They have emphasized that only with the active assistance of the financial, banking and real estate sectors that the service sector can develop properly and satisfy the people's huge daily needs.

Precinct corporations have been instructed to mindfully apply vanguard experiences learned from other localities to their own situations in order to gradually raise service quality. Recently, the precinct X service corporation has set an example in actively generating capital to build material and technical bases, acquiring equipment, and drawing skilled laborers away from the private service sector. Although it is a newcomer, the corporation has been able to manage such essential sectors and professions as bicycle guarding, hair curling and cutting, dressmaking, electronic equipment servicing, and renting wedding gowns. Working in the same direction, service corporations in precincts I and V and Tan Binh District have experienced brisk changes.

Precinct I has built its own service corporation since September 1982. With more than 240,000 inhabitants and tens of thousands of customers going and coming daily, the precinct's service needs are considerable. While still failing to keep pace with demands, its service network has actively contributed to serving consumers and getting a handle on free-market prices. In the past year, there was appropriate compliance with the municipal guided list of service charges. Regulated fees were 30 to 40 percent cheaper than free-market fees. Particularly, shops pertaining to those service sectors not yet subject to pricing guidance have fixed fees lower than free market by 20 to 30 percent. In case they were compelled to buy supplies and spare parts from the free market, they were committed to acquiring quality products and to selling them at prices equal to or lower than free market prices by 2 to 5 percent. The precinct I service corporation has raised its annual business income to more than 20 million dong, including a 5 million dong profit. In spite of difficulties, the state-run service sector in Ho Chi Minh City is well on its way to healthy development.

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LABOR

HAI PHONG CREATES JOBS FOR UNEMPLOYED YOUTHS

Hanoi NHAN DAN in Vietnamese 24 Jul 85 p 3

[Article by Xuan Ba: "Experiences in Creating Jobs for Youths in Hai Phong"]

[Text] Overcoming difficulties and finding the correct direction:

Every year the municipality of Hai Phong (in the city proper) many youths of working age, including youths who have returned after fulfilling their military obligations, need jobs. Providing employment for youths under difficult production and living conditions and under the conditions of the materials and energy supplied to the city being limited, is not easy. Because we have not provided jobs or have been slow in doing so, negative phenomena have arisen among a large number of such youths. In some places security has been violated. Parents are worried when they cannot find jobs for their children.

In view of that situation, the Municipal People's Committee led the Ho Chi Minh Labor Youth Union, the Labor Bureau, and a number of responsible organs in creating jobs for youths.

Hai Phong regards the use of labor--valuable local capital--to further exploit the potential of the land and trades, and to develop production--as an extremely important mission. The municipal Ho Chi Minh Communist Youth Union regards providing jobs youths and being concerned with the legitimate rights of youths as central missions which increase effectiveness in concentrating and educating youths. According to a study and survey of the characteristics of unemployed youths in the city, nearly all have graduated from secondary school. Nearly 50 percent have trades (self-taught, taught by the family, or trained in factories or schools). They have the requirements of selecting appropriate trades which are stable and provide good incomes. Psychologically, nearly all of the youths of working age want to have jobs and income so that they can meet the needs of their material and spiritual lives and contribute to helping their families. The Youth Union has relayed the legitimate aspirations of youths to the Municipal Party Committee, the People's Committee, and the responsible organs. Overcoming all difficulties and with dynamic, creative working methods, during the past 5 years the municipality of Hai Phong has achieved many great results in creating jobs for youths.

Many methods, many jobs:

Clearly, it is not possible to create jobs by merely adding to the state sector 5 to 10 percent of the young workers. The municipality has promptly and boldly invested in promoting agricultural production to employ inner-city workers. By the method of the state and the people working together Hai Phong has built many key water conservancy projects, and especially projects to reclaim land from the sea along Route 14 and Do Son, Dinh Vu Island, Gia Ninh, etc., which employ tens of thousands of young workers who work permanently at the construction sites. Youths have contributed to creating new economic zones to help redistribute population and labor in the districts. A recent project is the construction of a road around the city valued at hundreds of millions of dong which is the responsibility of the Youth Union and employs thousands of youths. Those working on the project have been introduced by the Youth Union and have an average income of 200 dong per day.

The second form is setting up vocational training centers in the precincts to provide jobs for young workers (especially women). Although they have been set up only recently, within a short period of time the municipality has trained more than 5,000 people in the knitting, embroidery, and lacemaking trades. Furthermore, thousands of other youths study machinery, the repair of electric appliances and sewing machines, tailoring, carpentry, masonry, etc. That form of training provides a source of well trained workers, provides jobs, and provides goods for export.

Third, work-study classes are held next to the enterprises for the children of cadres and workers. When those youths have trade skills they can be employed by organs and enterprises. In addition, there are other forms, such as the familyeconomy and the use of contract labor in organs, enterprises, and production and commercial units, have also provided jobs for a considerable number of young people. Hai Phong also pays special attention to providing jobs for youths in the locality.

On-the-spot jobs:

During the past 5 years (1981 to June 1985), of the jobs Hai Phong has provided for youths in the city proper (93 percent of the plan norm was attained), 76 percent of the youths were provided local jobs. The municipality indicated that the subward is an important economic sphere and a sphere in which youths are brought together and educated by means of finding jobs for them. At present 33 of the 39 subwards in the municipality have set up production teams. On the average, each subward has between 11 and 14 teams and each team has 20 to 25 youths.

With the concern of the municipality, the wards and sectors toward creating capital and raw materials and teaching trades added to the dynamism and creativity of the subward governmental administrations toward the good development of the labor potential of the sectors and trades in their areas, the effectiveness of the youth production units is very good. Thanks to the good organization of production, the youths' income is assured. Trai Chuoi subward is a lively example. In the past, every year more than 600 youths of working age in the subward had to be provided employment, but only a few dozen

people were employed by the state. Because of the lack of jobs, the ratio of youths in the subward who committed crimes was very high. Local order and security were seriously violated. That was a deficiency in the youth movement in the municipality. In view of that situation, the subward party committee and people's committee came up with practical working methods. The subward, which in the beginning had not a dong of capital or a production team, by borrowing capital from the people the subward was able to set up 12 production teams in the sectors and trades, marketing cooperatives, and painting, carpentry, masonry, leather tanning, shoemaking, machinery, and other teams, which employed more than 90 percent of the youths. Every year the production teams in the subward produce goods valued at tens of millions of dong. Many youths in those production teams earn 4,500 to 5,500 dong a month, and earn an average of 2,500 to 3,000 dong a month. Only 3 months after it was formed a carpentry team paid its debts and earned a profit. Each team member receives a salary of 1,200 dong a month. The youth Union has brought more than 80 percent of the youths into its organization. It also has many activity forms (because it has a budget), such as art, physical education and sports, recreation, etc. Most of the backward youths have jobs and stable incomes. Order and security in the subward have begun to be maintained.

Concern for backward youths:

There are many reasons why some youths commit crimes, but unemployment is the main reason. According to a study by the municipal Youth Union chapter, all youths in the 16 to 22 age bracket, despite prior convictions, want to obtain jobs, 86 percent of those who committed crimes do so because of a lack of stable employment, and 95 percent of the recidivists continued to commit crimes because after returning from concentrated education they were still unable to find employment.

Thus providing jobs both brings into play the capabilities of youths in the municipality's economic missions, and both limit and eventually end negative social evils. The municipal Youth Union chapter, along with the Labor Service and the Public Service, drafted a specific plan to provide jobs for youths who committed crimes or were backward. But the heaviest "burden" is borne by the subward echelon, which must manifest a sense of responsibility, love, and reason, with the Youth Union organization playing the leading role. The youth Union organization and the governmental administration took the initiative in meeting with the youths and seeking to understand their aspirations. The sponsorship of the public security organ and prestigious members of the subward and ward governmental administrations in recommending them for employment by the production bases and friendship and assistance of their friends in the team gradually won them over. Their stable incomes also put them at ease. That method, with many measures, brought about good results. Hong Bang and Le Chan wards, Thuong Ly, Ha Ly, Trai Chuoi subwards, employed 85 percent of the backward youths in the production teams. Negative phenomena among such youths have greatly declined.

The experiences in educating and providing jobs for 200 youths in Trai Chuoi subward and in bringing them into the Youth Union organization are being studied by many places in the municipality.

During the past 5 years the municipality has made all-out efforts to overcome the subsidized way of livelihood and achieved results in providing jobs for youths. The results would have been even greater had some places and sectors realized more clearly that pressing need. For example, many organs sent raw materials used to produce export goods to be processed in other province, while they could have been used to provide permanent work for youths in the city. The processing prices are still low. In some embroidery teams and cooperatives youths earn only 45 dong a day (in present prices). Even if the rice supplement is included they earn only 60 dong. Furthermore, their employment is not stable. One year they were without work 6 months because there were no raw materials. The cost of living has increased but some production installations which have employed youths pay their salaries too slowly. For example, at the construction site of the beltway south of the city, which is the responsibility of the Youth Union, the 1,000 to 1,500 youths employed have produced value of more than 10 million dong (since march), but the managing organ has not yet paid them, so they have had to borrow money. The creation of initial capital to set up production teams is very difficult. Because they have not "reached agreement" with the bank, some subwards have had to mobilize capital from the people at a high interest rate. For that reason, some teams have produced for a long time without recovering their capital, their income is low, and their workers are not enthusiastic.

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POPULATION, CUSTOMS AND CULTURE

FOOD MINISTER DISCUSSES POPULATION, GRAIN

Hanoi NHAN DAN in Vietnamese 24 Jul 85 p 2

[Economic Forum column by Dr. Le Van To of the Ministry of Food: "Population and Grain in Our Country"]

[Text] The problem of population and grain is at present a difficult problem for many developing countries. More than half of mankind is concentrated in the Third World, which is continually threatened by hunger. In recent years the matter of restricting population growth in our country has become an urgent problem. That is one of the most important preconditions with regard to our country's economic-social development strategy.

Our country's population density is among the highest in the world. In 1983 it was 178 people per square kilometer, compared to the average world density of 27 people. Compared to the cultivated area, there is only .1 hectare of land per person. The scarcity of land tends to increase steadily because the population is increasing rapidly and more and more cultivated land is being used to build houses, schools, roads, and other projects. According to statistics, in 1939 Vietnam had 18 million people, in 1980 it had 30 million people, in 1970 it had 38.3 million people, in 1974 it had 44.3 million people, and in 1976 it had 49 million people. By the end of 1985 the nation's population will be about 59 million, and it will be the 13th most populous nation in the world.

The needs regarding grain and living conditions increase not only because of the increase in the population but also because the people have increasingly greater demands, so there is increasingly greater pressure on grain specifically and on the national economy in general.

The people's standard of living is determined by dividing the national income by the total number of people. From that we can see that the resolution of the grain problem and the improvement of the people's living conditions must be based on the transformation and development of the economy, accompanied by the limitation of population growth. Therefore, in order to reduce the population growth rate we must not only apply propaganda, proselytizing, administrative, and economic measures but must also invest appropriate amounts of capital. It must be realized that capital invested in planned parenthood

will be much less than that which will have to be invested because of population increase.

One should not conclude simply that the population problem in our country is only a matter of planned parenthood. The redistribution of the population among the various areas on a national scale is also very important. It is necessary to transport grain from one locality to another is necessary to equalize the supply of grain, but transportation cannot add a single kilo of grain, but can only result in loss and increased expenses, especially when it must be transported rather long distances from north to south under difficult conditions. The rational redistribution of labor will not only increase the grain output but will reduce the large transportation volume. Therefore, intensive cultivation and all measures to increase grain output in the Red River Delta have that additional significance. In the circumstances of our country, using all capabilities and measures to produce grain locally has even greater significance when we are forced to buy grain abroad. In view of the fact that it costs 230 U.S. dollars to buy a ton of rice (the price of rice exported from Thailand at the beginning of January 1985), if we have additional fertilizer and insecticide for intensive cultivation and take steps to stimulate production, it is certain that our country will be able to produce many additional tons of rice.

Within the past 40 years, from 1940 to 1980, although more than 2 million people died of starvation in 1945 and there was prolonged war, our country's population increased 2.7 times while grain production increased only 2.5 times. If we, for the sake of immediate benefit, overwork the soil, reduce its fertility, and destroy the natural environment our country will be permanently harmed and will enter even more deeply into the vicious cycle of future grain deficiencies. In order to resolve the problem of insufficient land Holland, although its population density is greater than ours (380 people per square kilometer), is very skilled at intensive cultivation and has a long-range plan to add additional land. When traveling in an area rather remote from population centers we saw mechanized facilities being used to build land reclamation dikes the guide told us that the Dutch people of today are living in areas reclaimed from the sea by the Dutch people in the past, and that it would be necessary to continue to reclaim land so that several decades in the future the people will have living space. In our country, many localities have experience in reclaiming land from the sea. If they do so with better organization and on a larger scale it is certain that there will be greater short-range and long-range economic effectiveness.

The grain problem in our country must be resolved not only with regard to quantity but also with regard to quality, in order to have additional protein and fat in our diet and ensure better development in the future.

Resolving the grain problem does not mean growing only grain crops but, according to local conditions, growing and processing tropical industrial crops which have export value and bring about great economic effectiveness. We can also export grain to import goods when it is economically more beneficial to do so.

The resolution of the food problem in our country must be accompanied by the balanced development of the other economic sectors, and there must be effective support by the other economic sectors. A simple example: providing additional cement to rural areas to build drying patios, granaries, roads, water conservancy projects, livestock pens, etc., will contribute to increasing the grain output and create sources of goods with which to purchase grain. The direct and indirect support of the economic sectors will not only increase grain production but also decrease the hardship of the peasants, who have always had to work very hard when producing grain for society.

To resolve the grain problem in our country is not merely to produce grain but also to tie in grain production with processing and storage and reduce losses to a minimum after the grain is harvested, especially in the Mekong Delta, which has a shortage of drying patios and granaries although it accounts for more than 50 percent of the nation's grain area. According to a U.N. study, post-harvest loss in the developing countries is still quite high. In our country harvests usually take place in the rain, storm, and flood season, so it is very important to take the initiative in fighting natural disasters. Furthermore, we clearly realize that the families' grain reserves, which are not large, are often damaged by mildew, termites, worms, and rats, while in state granaries efforts are made to limit loss with regard to quantity and quality. The processing and storage of subsidiary food crops and grain in our country is a major problem that must be resolved in the short range and long range, so one should not take the simplistic view that the grain sector is only responsible for distribution and circulation.

Our country must still be concerned with many problems, and there are still many shortages and difficulties that must be resolved, but we must concentrate on resolving key problems, for the more we delay the more difficult it will be to resolve them. Those are the problems of population and grain, which are exerting great pressure and not only exerting daily influences on the nation but also deeply affecting all families.

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